

## Steel prepares strategy to lead new party

# Owen resigns as SDP votes for merger

By Philip Webster and Martin Fletcher

Dr David Owen resigned yesterday as leader of the Social Democratic Party after it defied his wishes and voted for a merger with the Liberal Party.

His surprise resignation statement was delivered less than an hour after it was announced that SDP members had voted by 57.4 per cent to 42.6 per cent in favour of merger.

The margin, less than the pro-merger Liberals and Social Democrats had hoped for, was nevertheless greeted by them last night as sufficient to pave the way for the formation of a unified party next year.

Dr Owen said that he was standing down and would play no part in merger negotiations.

## Princess arrives in Majorca

From Richard Wigg, Madrid

The Princess of Wales arrived, with her two sons, Prince William and Prince Henry, on an RAF plane at Palma airport early yesterday evening. They will be staying for several days with King Juan Carlos and Queen Sofia at Marivent, the Spanish royal couple's summer home on the island of Majorca.

The Princess, who is the 36-year-old daughter of the Queen Mother, is the King's eldest daughter, at the military side of the airport.

Amid tight security, they drove to Marivent Palace, where a large crowd, including many British tourists, greeted them.

By holidaying in Majorca with the Spanish royal family for the second summer running, the Princess showed she has fallen in love with the Mediterranean island.

The Princess of Wales is due to arrive in Palma this evening, thus avoiding a repetition of the dispute which blew up last August about all four of the family travelling to Spain in one aircraft.

The Princess and Prince are expected to spend most of their holiday, which may last for a week, swimming and yachting and, perhaps, watching the Spanish monarch and Prince Felipe taking part in the annual King's Cup regatta.

## IN PART 2

### Seed sell-off

Unilever is to pay £66 million for the privatized National Seed Development Organization and part of the Plant Breeding Institute. Page 19

### Exam results

Degree results from the University of Kent are published today. Page 30

## Portfolio Gold

There is £2,000 to be won in the Times Portfolio Gold competition today, double the usual amount as there was no winner yesterday. Portfolio list, page 25.

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that will take place between the two parties. But in a defiant statement Dr Owen made plain that he intends to go on leading a party representing social democracy.

He predicted that the negotiations for the merged party would succeed but said that he wanted to work with it and hoped for an "amicable settlement".

Dr Owen, who has led the SDP for four years, declared:

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"Don't write me off, or the party, or the SDP or social democracy."

He appeared immediately to be opening up the possibility of trying to reach a deal between his own "rump" and a merged party. He described the move towards merger as "a magic and a folly".

Mr David Steel said Dr Owen's decision to resign was logical but his attitude to a merger "profoundly mistaken".

The results of the negotiations will go before the Council for Social Democracy in January and in the further ballot that will follow at that time. If at that stage the SDP then rejected a merger he would offer to resume the leadership.

Dr Owen said he would remain an SDP MP "throughout this Parliament and hopefully for longer", and that he would continue to lead the party for social democracy. He effectively invited Social Democrats in Parliament and outside to follow him.

There was a 77.7 per cent turnout of the SDP's 58,509 members. Those voting in favour of merger totalled 25,897 and those favouring closer links short of merger 19,228.

The vote was seen by Liberals as a vindication of Mr Steel's strategy of pushing merger on the agenda so soon after the election. He is the favourite to lead a new party.

## Iran extends Gulf naval exercises

By Michael Evans, Defence Correspondent

Faced with the huge build-up of US warships in the Gulf, Tehran flexed its muscles yesterday by announcing that the Iranian "Operation Martyrdom" naval exercise would be extended for a further 24 hours.

Iranian naval authorities again warned that they would not be responsible for any incidents involving foreign warships or aircraft.

It is now expected that at least 40 warships from the US, Britain, France and the Soviet Union will have assembled in the Gulf area by the end of this month.

The increasing tension as the armadas clustered the waters of the Gulf was highlighted by confusing diplomatic signals in Europe.

Reports that the Dutch were talking seriously of a joint European minehunting force being sent out to the Gulf to deal with the mine problem, under the auspices of the seven-nation West European Union, were discounted in London and Bonn.

Armadies gather, page 6

Dr Owen's statement said: "Ours is a democratic, one member one vote party. The members have decided, as they have right to do, to seek a merger with the Liberals against my advice, and in the circumstances I do not believe I should continue as their leader during the period of the negotiations."

"We are now deeply and predictably split with sincerely held views on both sides."

The SDP now approaches its annual conference later this month leaderless, although it is expected that Mrs Shirley Williams, the president, will be the unofficial head.

Dr Owen, in the first trace of bitterness since the result, said in a television interview that he wished Mr Roy Jenkins, Mr William Rodgers and Mrs Shirley Williams had stuck with the SDP and kept their confidence in it.

Dr Owen said he accepted the members' verdict and would not scupper the negotiations.

Mr Steel said last night that he felt considerable sadness at Dr Owen's declaration he would not be involved with the new party and said he would be left "messing about on the sidelines".

In an article in *The Times* today he gives a strong signal to the Owenites that the new party would cater for their beliefs on defence and the economy.

Lord Jenkins, the former SDP leader, described the ballot as a "substantial victory for a sensible option for the future of the SDP and the Alliance" but said his considerable satisfaction was tempered by the 42 per cent of Social Democrats who voted against merger.

Mrs Rosie Barnes, SDP MP for Greenwich and a close ally of Dr Owen's, showed little sign of moderating her opposition to merger last night.

She said she still believed two separate and complementary parties would be stronger than one merged party.



Dr David Owen last night after he resigned over the SDP vote to merge with the Liberals (Photograph: Alan Weller).

## 'Quick' inquiry on airline take-over ordered by Young

By Harvey Elliott, Air Correspondent

The proposed take-over of British Caledonian by British Airways was last night referred to the Monopolies and Mergers Commission with the instruction that the inquiry be completed within three months.

Lord Young of Graffham, Secretary of State for Trade and Industry, decided on the referral after being advised by Sir Gordon Borrie, director general of Fair Trading, that the merger posed serious questions regarding the future of competition within aviation.

The order for the commission's findings to be produced within three months was given after B-Cal had said that a protracted inquiry could threaten its future. The commission has agreed to the time limit.

Sir Adam Thomson of B-Cal and Lord King of BA were called to the Department of Trade and Industry yesterday and told the news.

Lord King said he would co-operate with the commission and believed that he still had a good case to make for the merger.

"The present deal lapses in law", he said last night. "But, if, in three months time, it is decided that we are allowed to bid we will renew an offer. At the moment I see no reason why that should be any different from that now put in because they will still have the summer months to trade in. I hope that the MMC can give us clearance because if it was a good case yesterday it will be a good case in three months time."

The BA board will be asked at a meeting on August 14 to approve a resolution to press ahead with the merger.

But Mr Harry Goodman, chairman of Air Europe and the International Leisure Group, said he would submit a rival bid for B-Cal. "I will be writing to Sir Adam next week asking a series of financial questions on his trading position", he said last night.

"I would then hope to be in a position to make a firm offer within three or four weeks. I am confident that my bid would not be referred to the MMC because we certainly would not constitute a monopoly and there is no clash at all between their scheduled operations and our charter operations."

His idea would be to create a merged airline based largely on work done 18 months ago when he held detailed negotiations with B-Cal. It would involve scrapping B-Cal's fleet of BAC 1-11 jets and using Air Europe's fleet on both charter and scheduled operations.

But B-Cal has, until now, refused to co-operate with Mr Goodman since the earlier talks collapsed. However, he now believes that B-Cal could be at his mercy because of claims by Sir Adam that the airline would not survive financially were the commission to take a long time over producing its report.

If Mr Goodman were to

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## Base rate increase prompts worst fall in a day for shares

Base rates were raised by one point to 10 per cent on a surprise signal from the Bank of England.

More than £12 billion was wiped off the value of shares in the London market within an hour.

Building societies are reviewing mortgage rates even before the latest cuts are fully in effect.

The Stock Exchange computer came close to collapse under an avalanche of selling orders.

By Kenneth Fleet

The smell of fear hangs over the Stock Exchange. Yesterday, ordinary shares suffered their worst fall in a single day, shedding about £12 billion of their value. Today promises a severe test of nerves. With a weekend of uncertainty ahead, investors will need faith and resilience of a high order if the market is not to continue falling.

The immediate cause of the collapse was swift and unexpected. The Bank of England, in harmony with the Treasury, forced the four leading clearing banks, National Westminster, Barclays, Lloyds and Midland, joined by the TSB, to raise base rates from 9 per cent to 10 per cent.

Mr Nigel Lawson, the Chancellor of the Exchequer, speaking on BBC radio, explained this bolt from the blue in benign terms. "My judgement was, looking at the indicators as a whole, that it was right to tighten monetary controls a little by putting up interest rates by a point."

By this time the market was in full retreat. The mood of the morning when prices were rising had been shattered. The FT-SE index of 100 leading shares, which had begun the day 16.2 higher, plummeted 86.3 points before flattening out to finish the day 56 down at 2261.4. The FT-30 share index closed 42.5 lower at 1754.1.

Government securities also dropped. At the lower prices they now return more than 10 per cent, whereas the yield on ordinary shares is as little as 3.23 per cent. It is this gap that makes the market nervous, especially against a background

of the explosive situation in the Middle East, and key economic indicators, notably Monday's producer prices and Tuesday's balance of payments figures, which are widely expected to make discouraging headlines.

The City's view of yesterday's action is that the Treasury and the Bank had decided it was prudent to strike now rather than wait to be compelled to raise interest rates by pressures on the pound. The concerns of both

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the Chancellor and the Governor of the Bank of England are focused on the rate of inflation, which as Mr Lawson stressed yesterday, "is low and we want to keep it that way."

It is threatened at home by rapidly rising earnings, high consumer spending, seemingly endless credit and accelerating asset values, especially with the evident determination of West Germany to restrain its own internal spending with higher interest rates and tighter credit and the prospect of rising interest rates in a rapidly-reviving Japan. Mr Lawson had little choice if he were not to run risks with the balance of payments and his own party.

Reactions to his pre-emptive strike vary. Mr Gavin Davies, chief UK economist of Goldman Sachs, the American investment bank, said: "The Government will get credit from the mar-

kets for doing this (raising interest rates) because later people will conclude that the Government is determined to keep inflation under control."

Mr Richard Jeffrey of Security Pacific (Hoare), the broker, believes the Chancellor's prescription is premature. "There is a feeling about that the economy is in worse trouble than people realize but we think that better economic news will show them to be wrong."

Higher interest rates have created an instant dilemma for two of the leading building societies. The Halifax said on Wednesday that it would cut its mortgage rate for existing borrowers from 11.25 per cent to 10.8 per cent, to bring them in line with new borrowers who have been paying the lower rate since June 17. Abbey National had made the same decision.

At the time, both societies were aware that interest rates generally were fluctuating. The Halifax said yesterday that it hoped it would succeed in holding its new rates although "any further increase or strong market reaction to the Bank of England's move is bound to make us reconsider."

Sir David Nickson, president of the Confederation of British Industry, gave a guarded response. His members regarded the stability of sterling as extremely important "and if this increase in interest rates helps to maintain a stable pound it will be understood."

Nevertheless, it will add Continued on page 18, col 4

## Moscow digs in on Pershings

From Alan McGregor, Geneva

Mr Eduard Shevardnadze, the Soviet Foreign Minister, told the 40-nation UN Disarmament Conference yesterday that, if the United States insisted on 72 Pershing missiles remaining in West Germany, Moscow would keep similar systems.

In the US-Soviet negotiations for a treaty eliminating all medium- and shorter-range nuclear missiles "zeros must be equal for both sides", he said.

If America insisted on its present "72 equals zero" formula, Russia's East European

allies, worried about the Pershing threat to their security, "could ask for stationing of similar systems on their territories and the Soviet Union could meet their request."

The result would be a Soviet-US agreement "truncated, emasculated and anemic", Mr Shevardnadze regarded the US position as a "legal sham" that could undermine the 1970 nuclear non-proliferation treaty.

Washington's delegate, Mr Max Friedersdorf, replied: "The US will not negotiate on third-country systems or on

existing programmes of co-operation with our allies". These would not be in the US-Soviet negotiations.

"Future plans for the German Pershings will be determined by the Federal Republic in co-operation and consultation with its Nato allies."

An official statement from the American side said it regarded part of Mr Shevardnadze's speech as reflecting "a rather intimidating attitude" towards West Germany.

## Inventors of scanner to get £5

By Robert Matthews

British scientists who invented a revolutionary body scanner will make only £5 before tax from each sale of the £750,000 machines, one of the team says.

In this week's issue of *Nature*, Professor John Mallard of Aberdeen University refutes claims that the six co-inventors will earn "millions" from the scanners.

The British Technology Group, which holds patents on the technology, agreed a licensing deal worth many millions for the scanners with the US electrical conglomerate General Electric.

But royalties go direct to the group, not the inventors. He sees the lack of financial reward as one reason why two of his team are moving to the United States.

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## Another banned spy book is published in US

From Michael Binyon, Washington

A book that has been banned in Britain since 1933 because it reveals how MI5 operated in the First World War and the identity of "C", its legendary chief, has just been published in the United States.

It tells a sorry and hilarious tale of spying in Greece that reads like a cross between James Bond and Lieutenant Colonel Oliver North's wilder Iranian schemes, and is sure still to ruffle a few intelligence feathers in the UK.

Sir Compton Mackenzie's celebrated *Greek Memories*, an account of his experiences as the head of British counter-intelligence in Athens during 1916, caused immediate consternation in Whitehall when published in 1932.

Not only did Sir Compton poke fun

at MI5 and its then-sister organization MI6(C) - revealing the meaning of the initials for the first time - but he casually published verbatim numerous official documents, including details of how Britain's entire spying operations were conducted under the cover of embassy passport sections.

He was quickly hauled into the Central Criminal Court and fined £100 under the Official Secrets Act. The book was banned (making surviving editions extremely valuable), and when it reappeared in 1939 it was short of 130 pages and all the names, personalities, events and documents dealing with British counter-intelligence in Athens, the Greek islands, Egypt and the Mediterranean.

Provocative, University Publications of America, the small house that has re-issued the original, has shaded

all the banned bits in grey, so that readers can see exactly what annoyed Sir Thomas Inskip, the Attorney General, Sir Mansfield Cumming, the first "C", and all the sleuths whose amateurish bumbling was so mercilessly mocked.

There was, and still is, a strong suspicion that the book's main crime was not that it named names and reproduced telegrams but that it exposed the entire operation to ridicule.

A remark about G.E.B. Holt-Wilson illustrates Sir Compton's evaluation of his fellow intelligence operatives: "At last I found a man who was capable of understanding difficulties. The shock of meeting somebody connected with intelligence work who could understand immediately what was wanted, and why it was

wanted, proved too much for my nerves."

Sir Compton found himself in a bizarre world of make-believe intrigue in Greece, officially neutral in the war. King Constantine, a brother-in-law of the Kaiser, favoured the Germans; Mr Eleutherios Venizelos, the Prime Minister, supported the Allies and wanted to declare war on Germany. The British, French and Germans were doing their best to resolve the tussle in their favour, while trying to catch and expose each other's agents in Athens.

The King found an ally in the Greek Orthodox Church, which excommunicated "that mercenary Senegalese he-goat Venizelos" with an anathema

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# Doctors call for big cigarette tax rise to save 7,000 lives

By Jill Sherman, Social Services Correspondent

The British Medical Association has called for a 21 per cent tax increase on cigarettes in next year's Budget, which it says would save 7,000 lives a year.

The increase, which would push up the price of a packet of 20 cigarettes to about £1.80, would bring in £750 million in extra tax revenue while cigarette consumption would drop by 9 per cent, the association says.

It has also urged the Government to put tax up by another 6 per cent in real terms each year from 1989 till the next general election.

Launching a new phase in its anti-smoking campaign the association said that if the Chancellor took the advice, by 1993 the price of cigarettes would have risen by more than 50 per cent, from about £2.20, earning the Government an extra £1.6 billion.

"By the end of this Government's lifetime cigarette consumption would have dropped by about 19 per cent saving up to 15,000 lives a year," Dr John Dawson, the association's deputy secretary, said.

"This allows the Government to have its cake and eat it. It can have both more money and save lives."

A drop in smoking would also save the National Health Service up to £70 million in five years as fewer cases of

bronchitis and other short-term smoking-related diseases would need to be treated, Dr Dawson said.

People of all social classes were spending less on cigarettes than they were in 1980.

The percentage of smokers in the population had dropped from 60 to 30 per cent since 1960, partly as a result of health education and partly because of increased taxes. However, more than 14 million adults still smoke 95 billion cigarettes a year in Britain.

Dr Dawson emphasized that a declining tobacco industry would not lead to huge unemployment. In 1971 the industry had employed 41,500 people but the figures had dropped to 20,000 last year as it became more capital intensive.

"Employees are expendable. The tobacco industry does not give a damn about the people who work for it."

Dr Dawson said there was evidence that retailers were also refusing to sell tobacco on economic grounds.

Mr Arunbhai Patel, chairman of the Finlays newsgroup chain which owns 280 shops, has announced that he would not sell tobacco in any of his branches. "Only 30 per cent of the population now smoke and the market is diminishing," Mr Patel said yesterday.

The association says there is substantial evidence that as the price of cigarettes goes up smoking goes down. "The Government can directly affect the number of smokers in this country by setting the price of cigarettes," Dr Dawson said.

Mrs Joy Townsend, an economist from the Medical Research Council, said that during the past two decades smoking had risen during two periods, the early 1970s and early 1980s, when the price of cigarettes fell in real terms.

When prices had increased however in 1977 and 1982 smoking had fallen.

Studies had also shown that when the real price of cigarettes rose the tax revenue also rose. Mrs Townsend said. Between 1980 and 1984 when the real price of cigarettes rose by 26 per cent, tax revenue rose by 10 per cent and there was a 20 per cent drop in cigarette consumption.

However, those in the lower social classes were more likely to give up smoking if prices rose. "If the price of cigarettes rose by 1 per cent the number of unskilled workers who smoke would drop by 1.4 per cent," she said.

Mrs Townsend denied that the tax increases would affect the poor. On average even the poorest families would be better off because they would be smoking less.



Lester Holloway, named yesterday as the "Best of British Youth" after a BBC radio poll, gazes across the tranquil woodland he saved from Channel tunnel developers.

He was appalled when he heard that Scrubbs Wood in west London was to be torn down. The young birdwatcher, aged 16, from Shepherd's Bush, near by, organized a campaign to protect the area

as a wildlife haven. He tackled his MP, Mr Clive Soley, and forced an amendment to the Channel Tunnel Bill.

For topping the poll, run by the Today programme on Radio 4, he won £300 plus £1,000 to give to the youth charity of his choice.

Second place went to Michael Hurley, also aged 16, from Diggle, Oldham, Greater Manchester, who has turned from being a glue-sniffing adolescent into the chairman of the National Association of Young People in Care.

Rachel Sharman, aged 19, from Salisbury, Wiltshire, was third. She has been blind from birth, but has worked as a community service volunteer and is preparing to study for a sociology degree (Photograph: Deniz McNeelance).

## Spine unit hospital in cash crisis

By Our Social Services Correspondent

Stoke Mandeville hospital, which had to close part of its spinal injury unit two months ago because of a shortage of nurses, will have to close temporarily four wards before the end of the year because of financial difficulty.

The Buckinghamshire hospital, which closed three wards and 24 beds in the spinal injury unit two months ago because it was unable to recruit enough nurses, is facing further closures in an attempt to save £40,000.

Mr Roger Tuley, the general manager of Aylesbury Vale health authority, said yesterday that the authority had agreed that four wards in different specialties should each close for one month.

Although all emergency cases would be admitted, the closures would lead to longer waiting lists for non-urgent operations, he said.

In spite of the "fortuitous" savings as a result of the earlier closures, the hospital was still heading for an overspend because of increased productivity, Mr Tuley said.

He said: "Last year we treated 1,000 more in-patients and 3,000 more day patients. We also reduced our waiting lists by 1,600. The extra productivity and a shortfall for the wage awards led to an overspend of £250,000."

"Although we now have enough staff we do not have the money to keep all our wards open."

In June the hospital closed 23 surgical beds, 18 medical beds and 28 orthopaedic beds.

## Police breath test an extra 53,000

By Martin Fletcher and Daniel Ward

The number of motorists given breath tests last year was 303,000, an increase of 20 per cent on 1985.

The 53,000 more tests yielded an extra 4,000 positive results according to Home Office figures released yesterday.

A total of 100,000 tests, an increase of 13 per cent, led police to have "reasonable cause to suspect that the driver had consumed alcohol".

Motorists tested after committing a traffic offence accounted for almost half the total, a rise of 36 per cent on 1985.

In 1985 81,000 motorists failed a breath test.

Police have resisted random breath testing, believing they already have sufficient power to stop motorists suspected of drink driving. However, the latest figures underline the

## Property transfer fees cut

By Frances Gibb Legal Affairs Correspondent

Tougher competition between solicitors and others for conveyancing work has cut charges by as much as 42 per cent on some properties, according to a survey by the Institute of Fiscal Studies.

It also shows that asking a solicitor for an estimate has tended to reduce a conveyancing bill by an average of £35.

Clients who have shopped around have "induced an appropriate response on the part of the solicitor", the survey shows.

But overall, solicitors have been cushioned from the worst effects of competition and average conveyancing fees have fallen only a little between the years 1983 and 1985.

That is because of the steep rise in house prices which partly determines the fee, the survey — published in this month's *Fiscal Studies* — shows.

Based on fees paid by house buyers and sellers during two years, the survey shows the biggest reductions have been for upmarket sellers.

Between 1983 and 1985, conveyancing fees on sales of houses worth £100,000 or more fell by 42 per cent. On sales of properties worth £50,000 or more, they dropped by 33 per cent and on properties of £30,000 or more, by 21 per cent.

But for buyers, the effect of conveyancing competition has been felt mostly at the bottom of the market, with charges falling by 28 per cent.

Price divide, page 5

## Chaos fear over pay scales for teachers

By Sarah Thompson, Education Reporter

Teachers' unions predicted chaos and discontent next term because of the new pay and conditions deal announced yesterday.

The circular announcing the second half of a 16.4 per cent pay rise allows local authorities to pay a head or deputy head more than the set scales.

Mr David Burbage, deputy general secretary of the National Association of Head Teachers, said Mr Kenneth Baker, Secretary of State for Education and Science, was "returning us to the 1940s when rich local authorities could afford to pay teachers more than poor ones".

He added: "This will lead to total confusion. If an authority offers a head more to fill a difficult post, what happens to the school's deputy head? And what happens when the head leaves — does the salary drop back to the original level?"

"How do you explain to the teachers in the school why the new head is getting a salary above the official limit for coping with the problems they have been coping with — on standard salaries — for years?"

He added that local authorities and head teachers would not have enough time before October 1, when the increase takes effect, to allocate 25,000 new allowances of £501 for outstanding teachers and those in posts difficult to fill or with special responsibilities.

The National Union of Teachers, which, with the National Association of Schoolmasters/Union of Women Teachers, is sending members time sheets on which to log their contracted, "1,365 'directed' hours over the year, said that the stage had been set "for a very difficult year".

The new main scale for teachers is from £7,599 to £13,299, with five incentive allowances of up to £4,200. Those are distributed through a quota system to local authorities and the number of teachers receiving them is scheduled to increase from 139,000 this year to 165,000 in September 1990. Deputy head teachers are to be paid from £14,751 to £22,251 and heads from £15,501 to £30,501 a year.

## Squatter urges Prince to help

The squatter who occupied a house in south London belonging to the Prince of Wales had left the premises yesterday, but not before appealing to the Prince to find him somewhere else to live.

Mr Nicholas Athanasiou, aged 24, who is unemployed, and his Italian girlfriend moved into an empty house in Cottingham Street, Kennington, owned by the Duchy of Cornwall, but solicitors acting for the duchy were granted immediate possession.

Mr Athanasiou wrote to the Prince: "I urge you to take a personal interest in this case. Unless you can help I will be on the streets."

## Tax does not deter the stars

By Michael Horsnell

Inland Revenue was unable to collect from foreign stars once they had returned home.

The responsibility for deducting the tax, which is set at the basic rate of 27 per cent, is left to the promoters.

In spite of its introduction, big agencies report that American stars are still anxious to appear.

The American pop singer, Madonna, begins a four-concert tour of Britain later this month with appearances at Wembley stadium and in Leeds which is expected to gross £4.5 million. The Harvey Goldsmith organization, the main British promoter, said the tax had not deterred her.

Reports that her tax bill could be more than £1 million were very inaccurate. No account had been taken of the

huge overheads of the tour which could leave profits of no higher than 20 per cent of takings before tax is applied.

The Harvey Goldsmith organization said: "Britain is a big market and terribly important to American stars from a prestige point of view."

"But there is a possibility that groups at the lower end of the bill may find the tax sufficient to put them off."

Duncan Heath Associates, one of the larger British theatrical agencies, said: "The tax is a nuisance but no one is refusing to come over. US stars earn so much less here than in America anyway, they don't come for the money."

A spokesman for Prince, the American singer, who cancelled a tour of Britain earlier this summer, said he had not pulled out for tax reasons.

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## Solicitor forged signature

By Mark Ellis

A young solicitor scared of letting down his father obtained a forged signature on her final training certificate.

Miss Gina Lazarus was struck off by the Solicitors' Disciplinary Tribunal in London yesterday for professional misconduct.

Miss Lazarus had worked for a firm of solicitors in Great Portland Street, central London, and was admitted a solicitor early last year.

She was convinced the principal would not sign the final part of her training certificate and instead asked someone else to forge his signature.

Another solicitor struck off had deceived a client over a £15,000 claim for damages.

Mr Geoffrey Bullock, of St George's Road, Bournemouth, had negligently forgotten to issue a writ for the damages claim, but over six years later his client and offered him £3,500.

Suspended for practising for one year was Mr Michael Smith, of Witton Road, Witton, Birmingham.

All suspended for six months were Mr Gerald Tyler, of Auburn House, Upper Piccadilly, Bradford, subject to 14 days' appeal; Mr John Utting, of Bridge House, Bridge Street, Halesowen, Essex; and Mr Robert Reed, of Redannick Crescent, Truro, Cornwall. Mr Michael Pentland, of Albert Street, Birmingham, was fined £750 plus costs.

## More air time for TV independents

By Ruth Gledhill

The independent television companies have been asked to turn over between 400 and 600 hours of programming a year to outside producers by the end of 1989.

The Independent Broadcasting Authority sent a document to the Home Office yesterday saying the IBA had asked the ITV companies to begin commissioning more programmes from independent producers, starting immediately.

Companies which fail to fall in line with IBA plans could have a clause inserted into their contracts compelling them to do so when the contracts come up for review in two years.

The policy statement is the first public move by the IBA to meet the Government's wish to see 25 per cent of production being supplied by independent sources by 1992.

The BBC recently claimed it was a year ahead of the independent television sector in its negotiations with independent producers after it announced a £4 million package of independently commissioned programmes.

Mr John Whitney, director general of the IBA, said the announcement marked a "sea change" in the role of independent television.

"We are not prepared at this stage to give a rubber stamp to meet a certain benchmark quota. We do not believe that a quota is appropriate to producing good public service broadcasting."

"We believe the Government's ambition to see a 25 per cent input by independents by 1992 to be achievable, providing that the talent we believe is in the business comes forward."

New programmes, page 5

## Girl hurled 20ft at fair

A girl was recovering last night after being thrown 20ft to the ground from a fairground ride.

Candice Smith, aged 11, and her brother, Tony, aged eight, were on a "mini big wheel" at the Bakewell show in Derbyshire, when she was hurled from the ride's cabin after a safety catch apparently came undone.

She was left hanging by her fingertips until she plunged to the ground watched by her horrified parents. Mr and Mrs

James Smith, of Goyt Road, Whaleybridge, near Stockport.

Her brother managed to hang on but the girl suffered bruising and shock and had to be treated by ambulance men.

Her mother said: "We saw one of the cabin doors fly open and a girl tumble out but it was several seconds before we realized it was Candice. It was a nightmare for her and us."

The ride was still being used after being checked by Health and Safety Executive officials.

## Doctor on an orgy of shoplifting

A French doctor and his wife started a three-week jail sentence yesterday for a three-day shoplifting spree in London.

Dr Yves Deveaux, aged 30, and Isabelle Deveaux, aged 26, a life assurance saleswoman, started stealing the day they arrived from Lyons on a motoring holiday. Horseferry Road Magistrates' Court in central London was told.

Their shoplifting spree ended when they were arrested at Harrods with goods valued at £625.

When police searched the couple's Land Rover, they found clothes worth £200 stolen from four other stores.

The magistrate, Sir Bryan Roberts, said the couple had pleaded guilty to "an orgy of systematic thefting".

He fined them £600 each, but fixed an immediate alternative of 21 days imprisonment and refused time to pay after being told the couple had only £50 left.

## Labour's high-tech service for hire

By Robert Matthews

Labour-controlled Warwickshire County Council has combined with a large industrial group to set up a computer company offering its services to other hard-pressed local authorities.

Called Warwickshire Computing, the company is a joint venture with the metals and engineering company, EMI, and has council officers on its board of directors.

It aims to make at least £2.5 million in its first year of operation by taking in work

from other councils which cannot afford to upgrade their ageing computers although the facilities will be put under increasing pressure.

The move was prompted by Warwickshire finding that it would have to spend more than £20 million on its computers during the next five years if it was to meet the demands being made upon it. The poll tax is likely to increase those greatly.

The council calculated it could save £1 million during the next four years by giving the company the bulk of its

computing tasks. Because of the block grant allocation system under which Warwickshire gains £1.63 for every £1 saved, this saving translates to two pence off the rates for Warwickshire ratepayers.

Mr Harold De'Ath, council chairman, said yesterday that lower spending on its computing needs meant that Warwickshire could afford to hire more teachers, policemen and social workers.

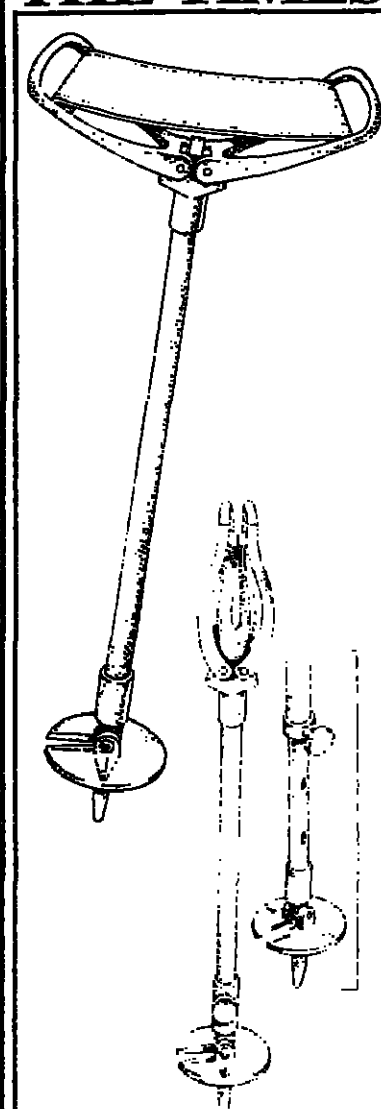
He saw the council's ratepayers as "shareholders", to whom the council was responsible, and there was no bending

of Labour ideology in combining with a large company to launch a capitalist scheme.

"We in Warwickshire have got a service to offer other local authorities, and we want to share it on a profit making basis," he said.

Mr John Jasper, chief executive of the new company and former head of the council's computing services, said yesterday that two other councils, one of which is also Labour-controlled, had already shown interest in using the company's facilities.

## THE TIMES UMBRELLA & STICK SEATS



Those who spend even a small amount of time outdoors during the coming months will appreciate the comfort of these stick seats and the protection of these umbrellas — especially in our unpredictable weather.

Stick seats are useful for so many outdoor activities — horse races, football, rugby matches — or at any event where you would have to stand rather than sit on cold, hard and damp ground. Made in England to extremely high standards from aluminium (which blends strength with light weight) and genuine leather. The handles are shaped to make carrying easy and the "sliding" leather seats are slightly padded to ensure comfort. An aluminium disc at the base of the shaft folds down to prevent the stick from sinking into damp ground. Two styles are available: the Standard stick has a seat 32½ cms. wide, an overall length (closed) of 84 cms., and weights just 1 kg. The Deluxe version has a wider seat of 40 cms., an adjustable shaft which can be lengthened to 97 cms. to ensure maximum comfort, and weights 1.4 kg.

Umbrellas are a necessity in our climate and the Times umbrella offers a stylish alternative to the rather mundane types. Bright and attractive with alternating panels (100% nylon) of white and French Navy, it carries the newspaper's logo in black against the white panels. Made in Britain and offered in both a men's and women's version with a solid hardwood handle, double Fox Frame for long life, and eight panels. The men's model measures approximately 40 inches long with a diameter of 48 inches; the ladies measures approximately 25 inches in diameter.

Either of the stick seats or umbrellas would make an ideal and practical gift to provide many years of services.

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What does a Rolls-Royce cost?

*The years without a holiday.*

*Refusing to give up when the finance ran down.*

*Late nights in the office when your contemporaries  
were in the pub.*

*The school sports days you never saw.*

*Putting it back into the business when  
everyone was taking it out.*

*Keeping your nerve when all around  
were losing their shirts.*

*The Bank Holidays at Heathrow.*

*Handicapping your golf instead of your business.*

*Risking your health for the health of  
the business.*

*Not leaving the bridge when things got rough.*

*Paying a bonus to everyone except yourself.*

*Backing your hunch - with your home.*

*Missing your children's first steps into the world.*

*Dropping out of university to do your own thing.  
And actually doing it.*

*The friendships you had to leave behind.*

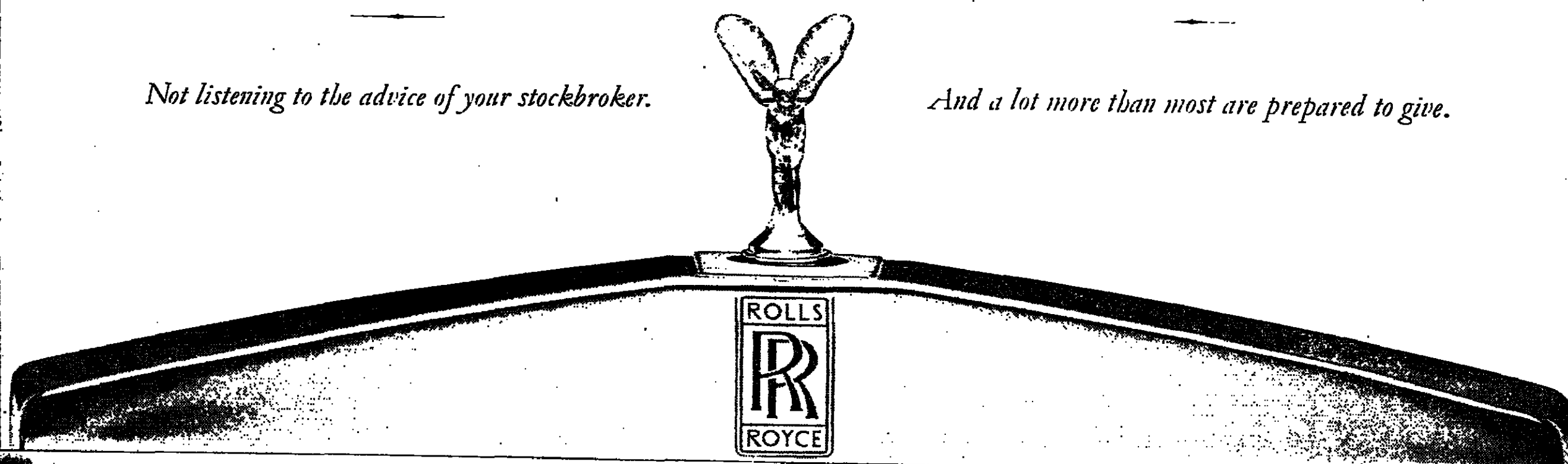
*Buying into dockland when everyone thought  
it was wasteland.*

*Listening to the advice of your stockbroker.*

*Demanding excellence in everything you do.*

*Not listening to the advice of your stockbroker.*

*And a lot more than most are prepared to give.*





# Computer services will help students in fight for courses

By Sarah Thompson, Education Reporter

Admissions tutors at universities and polytechnics will use computers to fill their vacancies this month, but students will be better equipped to fight for places with the advent of three computer services.

After school-leaving results are posted on August 12, at least 21,000 young people will find that their grades do not meet the requirements of their conditional offer from a college, an expert on the annual race for higher education places says.

This year they will have access to three separate computer data bases, including *The Times Network for Schools*, to get a daily update on vacancies.

They will also, for the first time, be able to call a British Telecom service set up with the University Central Council on Admissions and the Polytechnics Central Admissions System.

However, Mr Brian Heap, who publishes *Degree Course Offers* each year, believes that new technology will not change human nature - admissions tutors will continue to announce vacancies that do not exist, or avoid announcing

vacancies because they expect to fill them from personal applications.

"The new data systems are going to be more helpful and Ucca is finally getting its act together", Mr Heap said. "But the same vacancies will be advertised on all the information systems at once and will be updated only at the end of the day."

"Some admissions tutors do not announce that they have one or two vacancies in a department. They do not like advertising the fact to the University Grants Committee, which could recommend that the course be dropped."

Mr Tony Higgins, chief executive of the Polytechnic Central Admissions Service, said: "No one should pick a vacant place off a computer screen in a panic as soon as the A-level results hit the mat."

"It makes no sense, when a student has probably spent three months deciding on which courses to apply for before A levels, to grab a vacancy in a course that may be nothing like the original choice."

"All candidates in doubt should contact their local

authority careers service, which has vacancy lists distributed by the Advanced Further Education Information Service."

From August 17, information about vacancies in universities and polytechnics will be available on *The Times Network for Schools* data base, the Educational Counselling and Credit Transfer Information Service (ECCTIS) which is available to TTNS and Prestel subscribers, and Polytel, a polytechnic information service available to Prestel subscribers.

Information is updated at the end of the day. *The Sunday Times* is publishing lists of vacancies remaining on August 23, 30 and September 6.

For university vacancies, call 0272 217244 and for polytechnic vacancies call 0272 217721.

Free advice on sixth form and tutorial colleges which can help disappointed A level candidates improve their grades next time round is available from August 14 at Gabbitts Thring, the independent education advisers. Their "hotline" is 01 734 0161.



Mrs Elizabeth Graham looking out at the "perfectly ordinary suburban garden" she and her husband, John, have opened to the public this summer. The couple made a botanical extravaganza of the 45ft by 76ft plot in Princes Avenue, Muswell Hill, north London, with rhododendrons and sunken gardens, to be a place to rest while they were housebound caring for sick relatives. It is next open on Sunday, August 16, under the National Garden Scheme (Photograph: John Rogers).

## Pilots to set up own pension scheme

By Harvey Elliott  
Air Correspondent

Airline pilots are forming their own pension fund to improve benefits for staff of smaller operators.

The British Air Line Pilots Association (Balpa) said it was the first trade union in Britain to announce a scheme under the new Social Security Act. The Act encourages employees to join an independent fund rather than rely on the state pension.

Balpa said staff already in pension plans run by leading airlines such as British Airways and British Caledonian would almost certainly be better off staying in their company fund. But there were thousands of others who worked for smaller airlines who either did not belong to a scheme or were getting only meagre returns. The Balpa scheme is open to all airline workers.

"We believe that employers also will welcome our move", Mr Peter Smith, deputy general secretary of Balpa, said. "If there is just one scheme it would simplify administration."

Staff will be able to contribute between 6 and 17.5 per cent of their earnings which, it is hoped, will be matched by the employer. Balpa will charge a handling fee of about 1 per cent of salary.

## Price gulf in houses increases

By Robin Young

The gulf in house prices between North and South is wider now than ever, according to the latest report from the Nationwide Building Society.

Nationwide says that since 1975 house prices in London have always exceeded the national average by at least a quarter. In 1987 the gap has risen to 37 per cent.

In 1975 prices were 57 per cent higher in the capital than in the lowest priced region, the North, but in the first quarter of 1987 that difference was 142 per cent.

While the average UK home price of £43,000 will buy a modern three or four-bedroom detached house in the north of England, it will buy only an older, converted single flat in less expensive parts of London.

Yet from 1975 to 1977 and again in 1981-82 prices in northern England, Scotland and Wales rose faster than those in London.

The present gap has been stretched by high unemployment in the regions, and the use of joint mortgages in the South-east.

In 1986 the average household in the South-east had to find more than five times its annual income to buy the average property.

Some 44 per cent of Nationwide's borrowers in London have joint mortgages, contrasting sharply with, for example, Yorkshire and Humberside where only 28 per cent of mortgages granted in early 1987 were based on joint incomes.

Mr Mike Sismey, Nationwide's mortgage manager, said the building societies could help bridge the divide by offering more homes for rent. *The North-South Divide* (Nationwide Building Society branches, free).

## Le Carré drama for BBC

By Ruth Gledhill

A £40 million season of drama productions was unveiled by BBC Television in London yesterday.

The new season, costing 25 per cent more than last autumn's productions, includes a series from Gerald Durrell's *My Family and Other Animals*, a film series from the creator of *Lost of the Summer Wine* and a dramatization of *The Fortunes of War* by Olivia Manning.

The season also includes a seven-part serialisation of John Le Carré's latest spy novel, *A Perfect Spy*, starring Peter Egan, Ray McAnally, Peggy Ashcroft and Alan Howard.

Jonathan Powell, head of BBC Television's drama group, said: "Spies have been experiencing a little local difficulty in getting into the news recently."

He added: "Over the past year BBC Television drama has attracted a great deal of attention. The list of awards is formidable and there have been gratifyingly large audiences."

"There has also been controversy. But if fiction is to be both imaginative and unique, then on occasions it must be contentious."

Among the programmes returning to BBC1 is *Dr Who*, with Sylvester McCoy in the starring role and Bonnie Langford returning as his assistant, Melanie. *Howard's Way* and *Casualty* also return and *EastEnders* will continue its twice-weekly run.

## £362m catch

British trawlers landed 717,000 tonnes of fish at United Kingdom ports last year worth £362 million, a 12 per cent increase in value over 1985, the Ministry of Agriculture, Fisheries and Food said yesterday. Foreign vessels landed 53,000 tonnes at British ports in 1986.

## Weekend food prices

### Herring is best buy as meat edges upwards

Most fishmongers should have a wide choice of fresh fish available this weekend. The national best buy is herring between 50p and £1.25 a lb and the quality is excellent. Flat fish are also good, with lemon sole down 3p a lb to an average £2.40.

Skate wings at about £2.20 are good quality as is huss at £1.50 a lb. Cod and haddock are also good choices at about £2.30 and £2.40 respectively.

Fresh jumbo prawns from the Philippines cost about £5.50 a lb. Presto has whole fresh Scottish salmon on offer at £2.75 a lb and rainbow trout at £1.35 a lb.

Meat prices are showing an upward trend, particularly home-produced lamb which is up 2-4p a lb on all cuts. However, New Zealand lamb is down a little and the changes in pork and beef will only amount to about 10p on an average family meal.

There are many good offers at supermarkets such as Tesco sirloin steak at £3.28 a lb, minced beef at 88p a lb and pork chops at £1.18 a lb.

Presto has leg of pork for 99p and braising steak for £1.58 a lb. Sainsbury has rib roasts at £1.68 a lb and home-produced lamb shoulders at 98p a lb.

Part of the £77 million spent

on hair products last year might be better spent at the greengrocer. Earlier generations used natural things, fruit and vegetables to fight dandruff, condition, shine and set hair and many leading hairdressers and tricologists are now using avocado, lemons, parsley and melon to do just that.

Eating those good things is even more important and it is amazing how much shoppers can get at the greengrocer for a modest outlay.

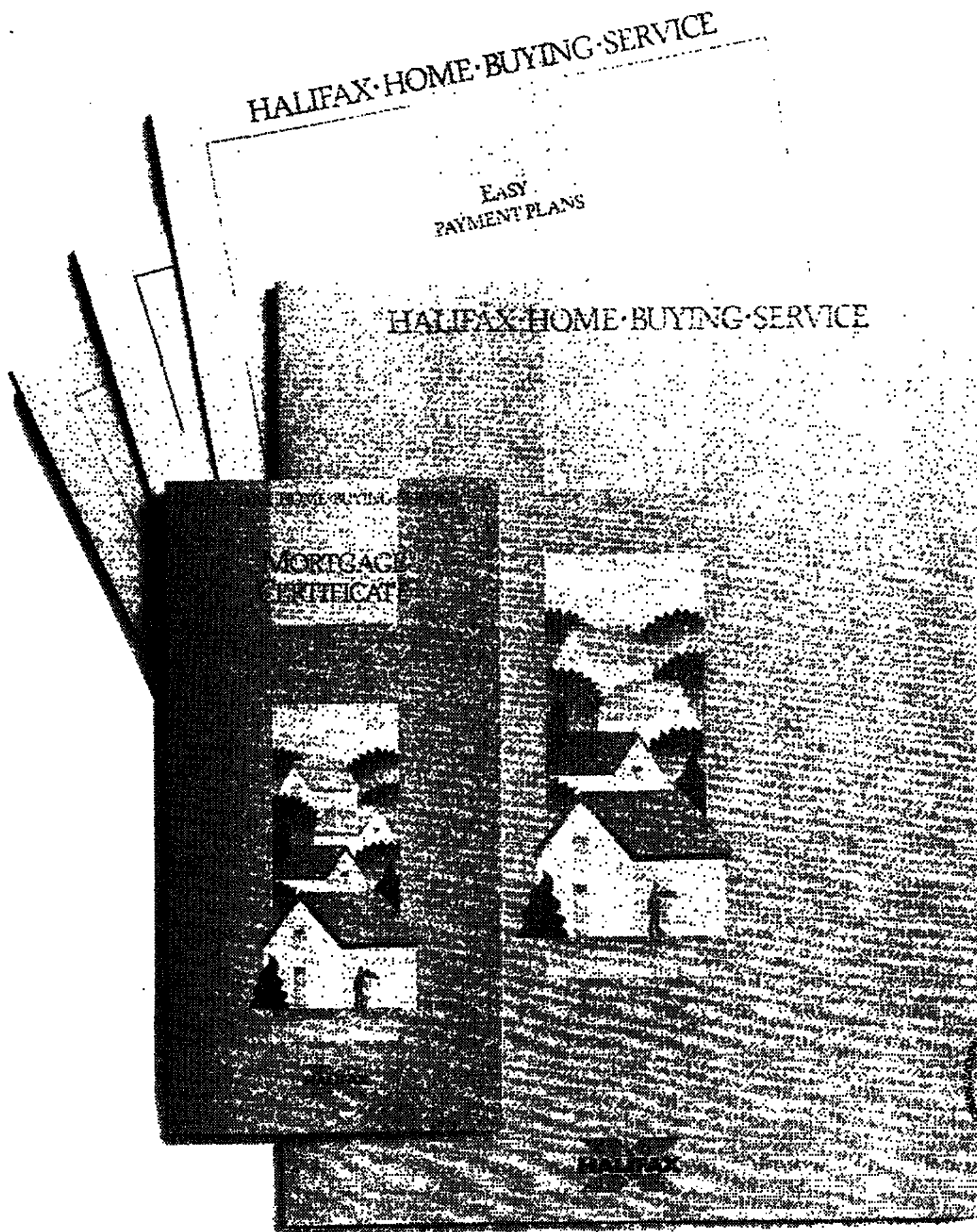
The wet weather has produced a bumper crop of summer cauliflowers at 20-45p each. They are low in calories and are ideal for adding to summer salads.

Good quality English courgettes at 35-60p a lb and marrows 35-55p each are plentiful, broccoli 60-90p a lb, new season carrots 15-26p a lb, Hispi and Primo cabbages, mushrooms at 40-50p are all good buys.

All the best value fruit is imported such as Galia melons 70p-£1.30 each, honeydews 35p-£1.10, nectarines 10p-25p each or kilo-packs 90p-£1.30 each.

Salad ingredients are plentiful and the best buys are round lettuce from 18p, iceberg 40p-80p each and Webbs 30p-40p.

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## WORLD SUMMARY

## Massacre inquiry mending fences

Johannesburg — South Africa and Mozambique are to begin a joint investigation of the Homoine massacre last month in which nearly 400 people are reported to have been killed (Ray Kennedy writes). President Chissano of Mozambique has blamed South Africa.

The decision was announced in Cape Town yesterday after the first senior ministerial talks between the two Governments since the death in an air crash of President Machel of Mozambique last October.

The talks, between Mr R.F. "Pik" Botha, South Africa's Minister of Foreign Affairs, and Mr Jacinto Veloso, Mozambique's Minister of Co-operation and Minister in the Office of the President, appear to have done much to defuse the acrimonious atmosphere between the two governments. Relations worsened last week when 68 people were injured by a car bomb in Johannesburg; Mozambique and Zambia have been blamed for terrorist acts in South Africa.

## Fire bomb Treblinka ID 'faked'

Jerusalem — Only four months after a woman settler and her son were killed by a petrol bomb, another woman from the same West Bank settlement of Alfei Menashe was seriously injured yesterday in a similar attack (Ian Murray writes).

Security forces imposed a curfew on the nearby Arab town of Kalkilya after a bomb was thrown from a 20ft-high embankment into a car carrying Mrs Edna Reggev. The Arab village, once a model of peaceful co-existence, has been the scene of a series of violent incidents involving Jews and Arabs since the original petrol-bomb attack.

Jerusalem — Scientific evidence was produced at the war crimes trial here yesterday to try to prove that Mr John Demjanjuk was not "Ivan the Terrible", the mass executioner at Treblinka extermination camp (Ian Murray writes).

Mrs Edna Robertson, an American handwriting and documents expert, said that a key piece of evidence produced by the prosecution is a forgery. This is an SS identity card for a Ukrainian death-camp guard, apparently signed by Mr Demjanjuk in 1942 and showing his picture. It was provided to the court by the Soviet Union. The defence claim it is a KGB fabrication.

## Gandhi denial

Delhi (AFP) — Mr Rajiv Gandhi, the Indian Prime Minister, yesterday declared in Parliament that neither he nor his family had received kickbacks from overseas defence contracts.

Mr Gandhi said in the Lower House that none of his family had received consideration in the contracts, which include a controversial \$1.3 billion (£830 million) deal with the Swedish arm firm Bofors signed last year.

## Air strike called off

Athens — Greek air traffic controllers have called off plans for a weekend strike that threatened to cripple all flights to Greece, including about 15 from Britain (Mario Modiano writes).

The union said that the move was out of concern for the public during the tourist season and the rigours of the expected heatwave. They complained that the Government had satisfied none of their claims for fringe benefits.

## Mayor Koch taken ill

New York (AP) — Mr Edward Koch, right, the controversial 62-year-old Mayor of New York, was taken to hospital yesterday after complaining of nausea and dizziness, his office said. He was being driven from a breakfast discussion of Aids at the Sheraton Centre Hotel when he felt his speech became slurred and slow. Last night, after having had an electrocardiogram test, he was said to be feeling much better, with his speech normal.



## Truman statue back

Athens — The bronze statue of President Harry Truman, blown from its pedestal in central Athens by a bomb last year, was put back in its place early yesterday as the Socialist Government bowed to the wishes of Americans of Greek descent who had originally set it up (Mario Modiano writes). The powerful Greek-American lobby had argued that its effort to support Greek causes in Washington was being undermined by anti-American attacks, especially when a Greek-American, Mr Michael Dukakis, was a strong contender for the Democratic presidential nomination.

## Tunisian hotel bombs

## Islamic sect denies government claim

From Paul Valley, Tunis

A spokesman for Tunisia's leading Islamic fundamentalist group yesterday ruled out Iranian responsibility for the bombing of four hotels in which 13 tourists, five of them Britons, were injured. He blamed the attack on a group protesting against the regime of President Bourguiba.

During the past six months the President has clamped down on all opposition groups, particularly those inspired by religious fundamentalism. Mr Nejib Chebbi, the General Secretary of the Rassemblement Socialiste Progressif, said: "The organization is a tolerated, but unrecognized, left-wing opposition group. Mr Chebbi is also a lawyer acting on behalf of a number of fundamentalists facing the death penalty this month on charges of high treason."

Yesterday the Ministry of Information officially blamed the bombings at the holiday resorts of Monastir and Sousse on the Mouvement de la Tendance Islamique (MTI), the country's leading fundamentalist group. It had acted, the Government said, "with certain foreign groups" to bring chaos and violence to the streets of Tunisia.

"The Government accuses the MTI of being in the pay of Iran. But we are waiting for the proof," he said.

In an interview with the BBC to be broadcast today, he also dismissed the idea that the bombings were a revenge attack for the death of Iranian pilgrims in Mecca.

The Government might like to see the MTI as an external force parachuted into Tunisia domestic politics, he said. The reality was that Islamic fundamentalism was "a phenomenon borne of the problems of Tunisian society itself."

These stemmed from the country's economic crisis, the Government's response to it and the regime's growing intolerance of any opposition to its policies.

"All these, together with a political system which can no longer satisfy the claims and demands of the people, aids the MTI to organize and helps it to develop," he said.

If the Government continued to close all avenues of political activity, it "risks pushing the country towards the brink of an explosion. We risk seeing extremist, military or violent solutions."

## Gorbachov opens door to renting of farmland

From Mary Dejevsky, Moscow

Soviet farmers might in future be able to rent land and machinery from the state. The proposal came from Mr Mikhail Gorbachov when the Soviet leader was speaking to collective-farm workers at the Ramensky agricultural complex near here on Wednesday.

Details of his day-long visit were published on all the front pages yesterday under the headline: "Perestroika (reconstruction) is measured by deeds."

Mr Gorbachov was reported to have questioned potato pickers in the fields about the quality of the crop and their living and working conditions. He endorsed the recently introduced system of "family brigades," which allows members of the same family to work together under contract to a farm.

Many collective farms have been reluctant to introduce this system because its many detractors believe it is too close to the old system of peasant farming and encourages a "private" mentality among workers.

Rejecting this view, Mr Gorbachov asked: "How would it be if we gave you land and equipment to rent, so that it would be your land and your equipment? Then you would be real masters of the land allocated to you."

The Soviet leader also expressed support for collective farmers who wanted to build their own houses with state loans. He praised the newly built detached houses in the village with their own plots of land, and said the

Politburo was thinking of lending more money for housebuilding.

He said that, while high-rise buildings were needed in the cities, there was no need for them in the countryside, where families with children would be better accommodated in individual houses with space around.

Until now it has been a point of principle for agricultural settlements to have their own high-rise blocks, partly as a status symbol and partly to prevent the re-emergence of wealthier, property-owning peasants like the kulaks who were dispossessed during collectivization in the early 1930s.

Farmworkers who met Mr Gorbachov were all enthusiastic about their new working methods and said they were completely satisfied with the facilities in the village. "People are quite happy," the director told the Soviet leader. "That is more than we are," he replied. "Complaints are coming into the Central Committee all the time about shortages."

While blaming periodic "interruptions in supply" on organizations less efficient and forward-looking than the Ramensky complex, he defended the current shortage of sugar.

Sugar consumption in the Soviet Union, he said, was 25 per cent higher than it should be if people had a healthy diet. Still worse, much of the extra sugar was being used for home distilling. The authorities were going to get even tougher on that, he said.



Mr Gorbachov, second from left, talking to collective-farm workers at Ramensky agricultural complex near Moscow during a tour of the farm's land. He was questioned about sugar shortages by the farmworkers.

## Iranians put on a bold show as the military build-up continues

## Armadas gather in the Gulf

From Robert Fisk, Dubai

At least 40 warships from the United States, France, the Soviet Union and Britain will be on station in the Gulf and the waters of the Strait of Hormuz by the end of this month.

America will have the largest contingent of vessels — 24 in all, including the battleship Missouri. It will be the biggest US fleet to assemble in a war zone since the Vietnam conflict.

The sheer size of the naval presence in the Gulf region by August 31 gives some indication of the reasons for Iran's increasingly bellicose naval posture and the extension yesterday of its "Operation Martyrdom" manoeuvres off the Iranian coast for a further 24 hours. Iranian naval authorities warned that "the Islamic Republic would not be responsible for possible incidents against foreign planes

and warships passing through the region."

These threats, and the accompanying descriptions of Revolutionary Guard cadres storming on to small Iranian islands to "cleanse" them of imaginary enemies, probably has more to do with propaganda than military preparedness. The Iranians timed their manoeuvres with considerable shrewdness, coinciding as they do with the Muslim Eid al-Adha feast when Gulf states preferred to delay incoming vessels.

The subsequent scarcity of shipping in the Strait of Hormuz suggested — as the Iranians must have known it would — that the masters of merchant vessels were too frightened to undertake their voyages, despite Western naval escorts.

In the safe waters of Khor Fakan in the Gulf of Oman yesterday, up to 100 tankers and gas carriers were moored across miles of sea, although

many are believed to be under orders to await a rise in the spot price of oil rather than delay their voyages for any naval threat from Iran. A Soviet minesweeper could be seen yesterday, escorting a Russian-flagged ship — apparently bound for Kuwait — towards Hormuz.

Three empty tankers under the American flag are waiting for their passage to Kuwait under US naval escort in a voyage that was, according to shipping agents in the Emirates, to have started yesterday but has now been inexplicably postponed, perhaps until next week. The concern of the Americans that their next convoy through the Gulf may suffer the same fate as the mined Bridgeton last month probably lies behind their refusal to allow any more journalists on their ships in the Gulf. Pooled reports by correspondents on US naval vessels gave the first news of last month's mining incident.

There are no signs here that the British plan to increase their Armilla patrol — three warships and a Royal Navy auxiliary vessel — but the French are expected to have at least seven warships in the area, including the aircraft carrier Clemenceau, while the Russians are believed to be adding another minesweeper to their fleet of three minesweepers, an anti-submarine ship, a support vessel and tug. Altogether 15,000 US military personnel will be on board America's 24 ships — a figure which does not include perhaps 2,000 more men based on shore facilities in the Gulf.

There was little sign of any progress towards a lessening of tension in the region yesterday. The Eid al-Adha speech by King Fahd of Saudi Arabia — in which he again called on Iran to accept the UN Security Council resolution on a ceasefire — met with no response from Tehran. The King had described Iran as "an honourable nation", a

generous comment at a time when the Saudis are accusing Iran of deliberately fomenting the riots in Mecca last week in which 402 people died.

Yesterday the Saudis lifted some of the security measures from around the Iranian Embassy in Riyadh and the Iranian Consulate in Jeddah, reducing the number of the 15 or so uniformed and plainclothes police outside the compound whose presence, the Iranians had claimed, amounted to a siege.

If Iran remains silent over King Fahd's remarks, an even more significant silence continues to come from Baghdad. The growing danger of superpower involvement in the Gulf War has given the Iraqis a remarkable breathing-space at a time when their forces were under considerable pressure. Indeed, the very name of Iraq hardly ever crops up in discussions of the new dangers in the Gulf, as if Iraq had not originally invaded Iran or been involved in the war.

## Shultz vote of thanks for help by Britain

From Michael Binyon, Washington

Mr George Shultz, the US Secretary of State, yesterday singled out Britain among American allies whom, he said, had given Washington a lot of co-operation in the Gulf. But he admitted there had been a problem recently over mine-sweeping.

He said: "We have been getting a lot of co-operation. The British, in particular, have been very active and other states as well."

However, with a hint of reproach to the Europeans who have so far refused to help the US in mine-sweeping, he said mines in international waters were an international problem.

America hoped for more countries to take part in that. Meanwhile, the US was very well satisfied with the quality of its own efforts.

Asked about reports of efforts in Western Europe to form its own consortium to clear mines, he said the US was ready to talk about proposals for joint action. But the real point was to get the Iran-Iraq war stopped.

Meanwhile, the State Department is considering more severe restrictions of US trade with Iran in view of the tensions in the Gulf. The New York Times reported yesterday. The Department also reissued a six-year-old warning to Americans to stay out of Iran.

The State Department is now moving closer to the Pentagon, which has a total ban except for trade in medicines and certain food products. The proposed new restrictions would cover items that could be converted to military use, including communications equipment.

## How the firepower adds up around vital Strait

IRANIAN NAVY: three destroyers, four missile frigates, two corvettes, seven fast-attack craft, at least one minesweeper, at least one patrol boat, 15 service and auxiliary vessels and an unspecified number of converted merchant and fishing vessels.

IRAQ: three frigates, six corvettes, 24 fast attack craft, five large patrol craft, 26 coastal patrol boats, eight minesweepers, 17 support and auxiliary vessels. (Figures subject to possible losses).

## FOREIGN FORCES:

FRENCH NAVY: two destroyers, one corvette and support vessel in Gulf. Soon to be reinforced by aircraft carrier Clemenceau, two frigates and one support vessel.

ROYAL NAVY: Armilla Patrol; one destroyer, two frigates, one Royal Fleet Auxiliary support ship. Soon to be replaced by similar complement.

SOVIET NAVY: one frigate, three minesweepers and one communications ship.

US NAVY: three cruisers, one destroyer, four frigates and one command ship in the Gulf. One aircraft carrier, one cruiser, one destroyer, two frigates, and two support ships in the Gulf of Oman. Soon to be reinforced by: one battleship with a six-ship escort, comprising cruisers, destroyers, frigates; amphibious assault ship with eight Sea Stallion anti-mine helicopters; and amphibious transport ship carrying at least three minesweepers.

## GULF CO-OPERATION COUNCIL STATES:

BAHRAIN: eight fast attack craft and 22 coastal patrol boats.

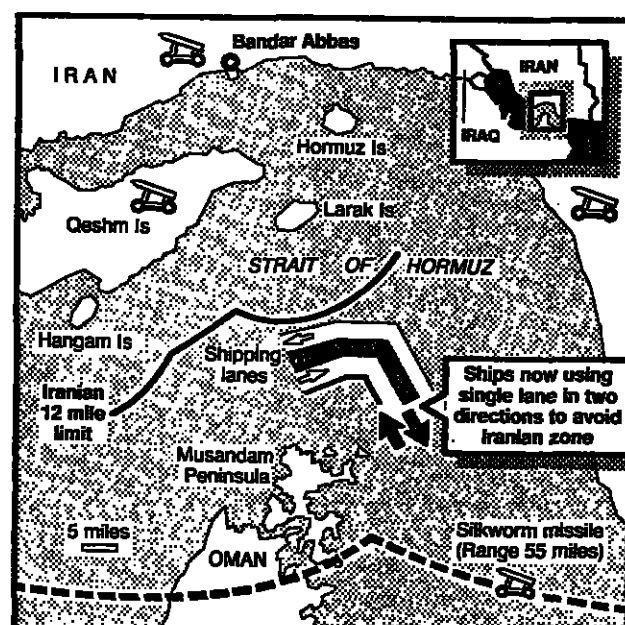
KUWAIT: eight fast attack craft, 38 patrol craft and 10 support vessels.

OMAN: nine fast attack craft, five patrol craft, seven amphibious landing ships, two support vessels.

SAUDI ARABIA: four frigates, four corvettes, 11 fast attack craft, one large patrol craft, 45 patrol boats, four minesweepers, 16 hovercraft, 18 support vessels.

UNITED ARAB EMIRATES: six fast attack craft, six large patrol craft, three coastal patrol craft.

Sources: Jane's Fighting Ships, Ministry of Defence, US Navy, Marine Francaise, International Institute of Strategic Studies.



## Syrian warning to Tehran

From Susan MacDonald, Paris

Iran received a warning from Syria yesterday that Damascus would not be prepared to stand by if Iran attacked another Arab country, such as Kuwait or Saudi Arabia.

Mr Omran Adham, a rich Syrian businessman and personal friend of President Assad, who said he was talking in an official capacity, said in the French capital: "We would be prepared to go as far as fighting alongside an Arab country if it were attacked by Iran."

Mr Adham, who described Syrian relations with Iran as friendly, said Damascus would not permit Tehran to export its revolution to neighbouring nations. "The incidents in Mecca have shown that Arab countries must present a solid

front. There is no place for political demonstrations in holy places."

He said that Syria had asked European countries and the United States more than a year ago for permission to mount a military attack to free the Beirut hostages but had received no reply. The situation, he said, must be resolved, even if it meant that countries must accept that there would be a risk to the captives' lives.

The hostages, he claimed, including Mr Terry Waite, the Archbishop of Canterbury's special envoy, were all in the southern suburbs of the Lebanese capital. "From the time that the United States dispatched Terry Waite to Beirut, we dropped out of direct

negotiations with the kidnappers," he stated.

Reza Pahlavi, son of the late Shah of Iran, said in a rare appearance on French television yesterday that he did not believe that Tehran would attack foreign warships in the Gulf.

He said: "The Khomeini regime will only attack the West at its weak points, through terrorism. It knows that, in attacking foreign warships, it would invite severe retaliation."

PARIS: The Industry Ministry has asked French oil companies to halt imports of Iranian crude into France, which broke diplomatic relations with Iran on July 17, the Industry Minister, M Alain Madrelle, said yesterday (Reuters reports).

## Chaos over pilgrim dead

By Hazhir Teimourian

Iranian doctors and officials entrusted with the task of returning home the bodies of Iranian pilgrims killed in the Mecca riots were being faced with serious administrative difficulties and chaos, according to reports from the Muslim holy city yesterday.

Many of the dead pilgrims had no identity papers on them, while other bodies already tagged were separated from their documents during transportation from hospitals to morgues.

In an interview with Tehran Radio, the chief Iranian doctor in Mecca said that in addition to the 58 bodies which were flown to Tehran on Wednesday, another 80 were expected to be identified and returned to Iran yesterday.

The doctor, who was not named, indicated that the Saudi authorities had not placed any obstacles in the way of the Iranian officials in repatriating the bodies of their nationals. But he gave a new, larger figure for the number of the Iranian dead claiming that 322 bodies had been handed over to his team. Previously, the Saudi authorities had said that 275 Iranians had died.

Iran claimed yesterday that some 40 Sunni pilgrims from Afghanistan, Yemen, Lebanon and the occupied Palestinian territories had also died. "Most bore bullet wounds," a communiqué alleged.

RIYADH: The ranks of the 157,000 Iranian pilgrims were packed with suicide squad

commanders, members of Iran's Parliament and, among others, one of the organizers of the 1979 seizure of the US Embassy in Tehran (A Correspondent writes).

Reports here indicate that Iran planned and provided leadership for the Mecca riots. The Saudi authorities said that 12 Iranian pilgrims were still in hospital under intensive care.

An Iranian resistance group, the Mujahedin Khalq, now based in Iraq, said that Mr Fakhrudin Hejazi, one of the ring leaders in the 1979 seizure of the US Embassy in Tehran has been identified as taking part in the Mecca riot. His brother was the actual leader of the takeover, it was alleged by the Jeddah daily, Saudi Gazette.

## Iran's suicide mentality could turn rhetoric into bloodshed

By Michael Dynes

Iran's announcement yesterday of its intention to extend naval manoeuvres in the Gulf by a day, combined with the United States decision to dispatch special forces to counter potential attacks from Iranian speedboat suicide crews, appears to be the kind of escalation that could provoke a direct confrontation between Washington and Tehran.

But despite the awesome concentration of US firepower in the region, and its evident failure to inhibit the flood of bloodcurdling rhetoric pouring out of Tehran, most seasoned observers still regard the prospects of a deliberate attempt by either adversary to provoke a direct military exchange as minimal — though all acknowledge the increased scope for the kind of accident that could lead to one.

Mr Shahram Chubin, director of research at the Geneva International Institute for International Studies, said: "It is vital to see Iranian threats for what they are — a substitute for war, not a prelude to it."

Tehran's main concern, he claims, is to get on with the conflict against Iraq. This may be an inconvenience for the West, as far as the security of Gulf shipping is concerned. But it is a political necessity for Iran, which has staked its entire legitimacy on fighting the Gulf war, and cannot afford to get distracted from this overriding goal.

However, that does not mean that the Iranians are not prepared to rise to any challenge presented by the US. Like all revolutionary regimes, that in Tehran thrives on confrontation, and the Americans have provided them with a golden opportunity

to divert domestic attention from the war with Iraq, and humiliate the US.

Mr Chubin said: "The fact that Iran, a much bigger country than Iraq, is not winning the war is effectively means that they are losing it. But Iran's ability to attribute this failure to US intervention in favour of Iraq actually minimizes its significance."

While the Iranians are reluctant to escalate the conflict with the US, they have a suicidal streak which could inadvertently lead them to do so. It is this mentality — "we can afford two thousand men but you can't afford two ships" — which the US now has to deal with, he said.

Mr Ian Smart, an independent consultant on international energy affairs, and a former diplomat in the Middle East, agrees that the Iranian

threat of suicide attacks on US ships is little more than playing to the gallery.

"If the Iranians really wanted to provoke a conflict by attacking US ships, there is little the Americans could do to prevent it. You don't have to go about ramming tankers or naval vessels to get a few casualties. A couple of limpet mines placed under cover of darkness would be far more effective."

Were Tehran to embark on anything so rash as a direct daylight assault on US ships, there would now be no way that the Americans could avoid retaliating. Even then, said Mr Smart, it would be extremely unlikely that Washington would sanction anything other than a few strikes against the half-a-dozen or so bases of the Revolutionary Guards along the coast.

While Professor J.C. Hurewitz, a lecturer in political science at the University of Columbia, New York, largely echoes these sentiments, he does not share the optimism of his European counterparts entirely.

"My guess is that the Reagan Administration would not hold back if provoked. Given its embarrassment over the Iran-Contra affair, President Reagan is desperate to re-establish some domestic credibility."

So far, Iran has successfully generated confusion and chaos in the Gulf, dividing the US from its allies and causing the Americans great embarrassment. But Professor Hurewitz said: "The moment Iran can be linked directly to the loss of American lives, the US is likely to respond forcibly. That could cost Iran dearly."

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## Central America summit

## Peace hopes rise as leaders welcome Reagan's proposals

From Martha Honey, Guatemala City

Central American Presidents meeting here yesterday and today welcomed a new peace proposal from Washington as a significant advance to their own regional peace plan. They expressed optimism that progress was being made towards reaching a negotiated end to the wars in Nicaragua and El Salvador.

Reacting to Washington's peace initiative, Nicaragua's President Ortega called for "unconditional bilateral talks" with the US, but unlike the other Central American leaders he declined to praise the contents of the six-point Washington plan.

Other leaders stressed that there were "many points of coincidence" between the Reagan plan and the 10-point peace plan drawn up by President Arias of Costa Rica.

While Reagan Administration officials apparently intended that their plan be made the central topic of discussion at the two-day summit here, Central American leaders said the only proposal officially on the table was the Arias plan.

They said they were considering the Washington plan along with other "observations" made by the Central American countries and the

four-nation Contadora group. President Cerezo of Guatemala, the summit's host, said: "We receive any initiative seeking peace with a lot of interest. But the main goal of this meeting is to discuss the programme and proposals from Central America. Later we will discuss the plan from Reagan."

This is the first time the Presidents of Guatemala, Costa Rica, Nicaragua, Honduras and El Salvador have met to discuss the peace plan which President Arias first proposed last February. The US has not been invited to participate, but all here concede that, given US interests in Central America, the Reagan Administration's backing is essential to the success of any peace plan.

President Reagan formally announced what he called the bipartisan plan on Wednesday, a day before the summit opened and as the foreign ministers were meeting here to discuss revisions to the Arias peace plan.

Mr James Wright, the conservative Democratic Speaker of the House of Representatives, helped to initiate the plan, but some liberal Democrats expressed

fears that the plan may be simply a ploy aimed at disrupting the Central American summit and ultimately winning congressional approval for more US aid to the Nicaraguan Contras.

The Nicaraguan Foreign Minister, Father Miguel D'Escoto, said it was "very, very rude" of President Reagan to "drop this kind of bomb" on the eve of the summit.

Summit sources say that a main obstacle to agreement on the Arias plan was Honduras's insistence that US aid to the Nicaraguan Contras should not be cut off until six months after a ceasefire and the implementation of democratic reforms in Nicaragua.

El Salvador, also a staunch US ally, tends to support this view, while Costa Rica and Guatemala, along with left-wing Nicaragua, advocate an immediate suspension of US aid to the rebels. Under Washington's plan, Contra aid would be suspended until September 30, at which point the White House could ask the US Congress to vote additional aid if Nicaragua had not complied fully with the peace plan.

Mr James Wright, the conservative Democratic Speaker of the House of Representatives, helped to initiate the plan, but some liberal Democrats expressed

## Ortega talks offer rebuffed

From Mohsin Ali, Washington

The United States yesterday made clear that President Ortega's proposal for immediate, unconditional talks between the US and Nicaragua was an attempt to delay President Reagan's Central American peace effort.

Mr Elliott Abrams, Assistant Secretary of State for Latin American affairs, accused President Ortega of trying to delay the peace effort and said Managua's first step must be negotiation of a ceasefire with its rebels, not talks with Washington.

Mr Abrams's statement seemed to raise an obstacle in

the peace process, because Managua has until now said it would not negotiate with the rebels. The US has repeatedly turned down immediate bilateral peace talks with Nicaragua, arguing that the initial negotiations should be through the Contadora process and the good offices of the Central American leaders, now holding their summit meeting in Guatemala.

When asked if President Ortega's call for direct US-Nicaraguan talks was acceptable, Mr Abrams replied: "No, it's not, because it is not part of this peace plan. I think their

purpose is probably to delay as much as possible but not be blamed for turning down President Reagan's peace initiative on Wednesday.

"We did not think they would ever come out and say no. And I think what is needed is more pressure on them."

Mr James Wright, the Democratic Speaker of the House of Representatives, yesterday described as "very positive" the early responses of Nicaraguan officials to the Central American peace initiative he and Mr Reagan have devised, though the plan was viewed warily by many here.

## Paraguay's muzzled press facing tougher controls

From Eduardo Cae, Asunción

The second-floor newsroom has been dark for more than three years, its rows of desks clear of typewriters, its telephones silent. In the executive offices Señor Aldo Zucillo, the publisher, and several assistants update the newspaper's files, receive visitors, and wait for the day when the Government will allow the presses to run again.

On the other side of town Señor Humberto Rubin sits amid the silence of his shutdown radio station. The doors and walls of the building still show the bullet holes and egg stains from the April 1986 mob attack that marked the start of a campaign of intimidation that would eventually lead to the suppression of Paraguay's most popular and influential radio programmes.

While criticism of the 33-year-old regime of General Alfredo Stroessner in the local press is common, the closures of Radio Nanduti and the newspaper ABC Color attest to the dictatorship's readiness to silence critics who may pose a threat to its survival.

"The Government was deadly afraid of us and even today they are afraid," said Señor Zucillo, the founder of the 20-year-old newspaper.

Before it was closed in March 1984, ABC Color had a daily circulation of 80,000 copies. It was the first newspaper to be sold nationwide, allowing it to reach a broad spectrum of opinion-makers. More important was the credibility it earned through its

moderate and well-reasoned criticisms of the Government.

"ABC Color was closed because it was a threat to a major national objective — social peace — and because it created discord, hatred and resentment among Paraguayans," explained Señor Martín Chola, a deputy of the ruling Colorado Party.

Señor Chola admitted readily that the weekly newspaper publishes virulent attacks on government ministers, and even General Stroessner, has been allowed to continue publishing because of its small circulation of only 20,000 copies. The Government is now preparing to introduce a "right of reply" law that journalists say will make it even more difficult to challenge the regime.

"As if this were not enough, journalists can still be penal-



President Stroessner: swift action to silence critics.

ized for what they print or broadcast, even if they obey the law and allow a reply," said Señor Rubin, Radio Nanduti's owner.

He still speaks vividly about the night in April last year when a crowd of about 100 people, accompanied by a band playing polkas, arrived at the radio station and began throwing eggs at the building and firing shots in the air.

"In 18 minutes they broke all the windows and not a single policeman appeared on the scene, despite our calls to the police station and our pleas on the air," Señor Rubin said.

Four days later five masked men broke into the station's transmitter outside Asunción and stole equipment. For the next seven months the Government used the stolen equipment to jam the frequency, finally forcing the station off the air last January for 90 days. When Señor Rubin tried to resume broadcasting in April, the Government refused to grant him a licence.

The regime's ire against Radio Nanduti was due to the station's immense popularity and incessant criticism of the dictatorship. Señor Rubin estimates that in a country of 3.5 million people his morning news show alone had an audience of a million listeners.

"It was too dynamic and too powerful a medium, and it became a threat to a country that has lived under repression for 30 years," Señor Rubin said.

## White farmers bear brunt of battle with rebels

From Jan Raath, Harare

The plight of Zimbabwe's western province of Matabeleland, suffering a renewed guerrilla insurgency, was depicted vividly here this week when representatives of the country's white farmers faced senior government intelligence officers.

The congress of the Commercial Farmers' Union, the most powerful non-political body in the country, meets in Harare each year, where members discuss their concerns and range from thick Scots brogues to general Afrikaans, discuss their problems with Cabinet ministers of the ruling Zanu (PF) party in a mixture of jaw-jutting confrontation and back-slapping familiarity.

During Wednesday and yesterday farmers drove home to government leaders with a bluntness not seen in any other of the country's private sector. The difficulties created by the worst drought in 40 years, critical shortages of farm and machinery spare parts, and the often bizarre cost of essential farming inputs.

On Wednesday, in a closed session devoted to security, Matabeleland

farmers detailed to two senior officers of the Central Intelligence Organization the crisis they are facing in the five-year-old war against political "dissidents". On the same day, a farmer in the rocky Marula area, 30 miles west of Bulawayo, came under heavy and sustained automatic fire from a group of "bandits" on a farm road. Despite the fact that more than 300 rounds were fired at him in over three minutes, no one was hurt and not one bullet hit his pick-up truck.

Also on Wednesday, in the Nyanamandlovu district about 25 miles north of the city, guerrillas shot dead a peasant farmer on a formerly white-owned resettlement farm.

Since May of this year, the farmers' union has lost five of its members to guerrillas and has seen others suffer frequent ambush, while valuable property has been destroyed in a sudden resurgence of "bandit" activity that CFU president, Mr Bob Rutherford, told the congress was "simply not acceptable".

The Matabeleland ranchers directly attribute the resurgence to the collapse in April this year of talks aimed at

uniting the party of Mr Robert Mugabe, the Prime Minister, with the opposition Zanu party of Mr Joshua Nkomo.

Delegates who asked not to be named said that, during the closed session on Wednesday, intelligence officers claimed that the current outbreak of violence was apolitical and could be contained.

The farmers — most of whom live behind security fences, carry arms wherever they go and are protected by a force of about 170 government-raised militia which is soon to be extended to parts of the Midlands province — dismissed the claims.

One farmer told of two large farming areas in Matabeleland where, according to information from labourers and villagers, guerrillas now claim "liberated" status. Others said that, in the Kezi area south of Bulawayo, a clutch of ranches of about 300,000 acres, abandoned by their white owners and taken over by a government agricultural agency in 1984, was now in the process of being abandoned again as a result of the security threat.

About 10 days ago, four well-armed

guerrillas in almost identical clothing seized a group of labourers on the ranches and, issuing them each with a pair of pliers, forced them to cut through nearly 10 miles of fencing.

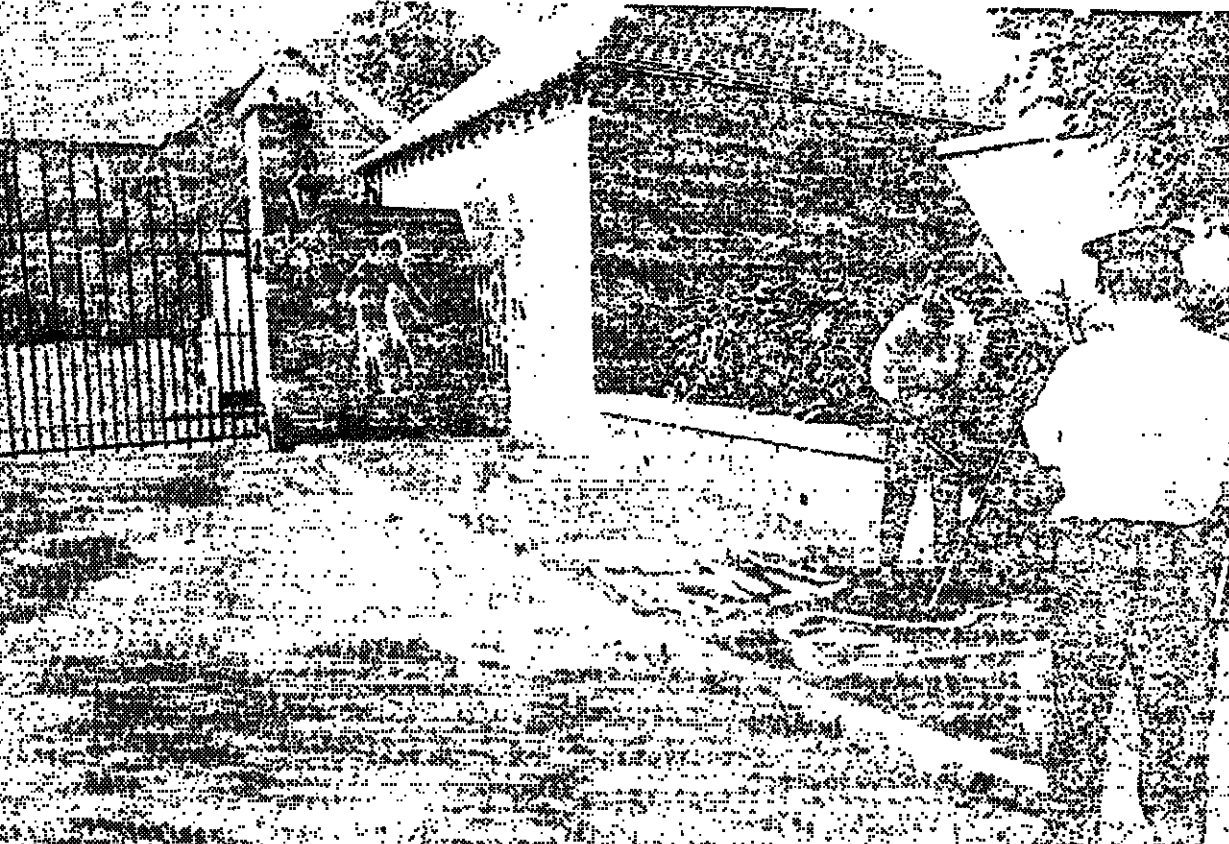
Kenilworth Ranch, a 200,000-acre spread 23 miles north-east of Bulawayo bought by the Government earlier this year for resettlement, had been left to squatters, among whom "dissidents" are known to find considerable sympathy.

The intelligence officers agreed that it was certain the guerrillas were being resupplied, and accused "foreign agents" — presumably South Africa — of being responsible for the sudden emergence of new ammunition and arms.

The farmers — many of whom join military units on follow-up operations — said they felt they were fighting their war "alone".

Many of the Matabeleland delegates left Harare at the morning tea break yesterday, so as to return before dark to their quiet farms surrounded by dense bush. "It's just a matter of luck," commented one before leaving. "Another of us is going to get it."

## Horror of Hiroshima is remembered



From Our Correspondent, Tokyo

Thousands gathered in Hiroshima yesterday morning to bow their heads in silent prayer and remember the estimated 140,000 killed by the first atomic bomb to take human lives, dropped over the central Japanese city on August 6, 1945.

At an 8 am ceremony, Mr Takeshi Akaki, the Mayor, and Mr Yasuhiro Nakasone, the Prime Minister, led an estimated 55,000 in laying wreaths of yellow and white chrysanthemums at the cenotaph in the Peace Memorial Park, the site of the Second World War explosion.

The names of 4,619 bomb victims who have died in the past year were added to the list of those killed in the early morning raid 42 years ago or who have died since then, bringing the number on the official roster to 148,177.

On Wednesday, at a much smaller ceremony, the names of 2,318 Koreans killed by the blast were enshrined outside the park at a separate memorial — an object of much criticism from Koreans who say their dead are discriminated against and their survivors denied the benefits offered to their Japanese counterparts.

An estimated 30,000 Koreans, many brought to Japan as forced labourers during the Japanese occupation from 1909 to 1945, are believed to have died in the Hiroshima holocaust or subsequently from radiation-linked diseases.

During yesterday's ceremony, Mr Akaki called on the United States and Soviet Union to hold immediate summit talks to conclude a nuclear disarmament treaty which would ban atomic tests and weapons production. The Mayor, a survivor of the 1945 raid, said: "The evil of Hiroshima and Nagasaki should never be repeated."

Mr Nakasone, attending the ceremony for the third time since becoming Japanese leader in 1982, said: "I hope on this day that the world's five billion people will think about what happened here. I pledge

that we will build peace on this earth."

He also promised to work to improve the lives of the officially recognized 350,000 survivors (*hibakusha*) of the 1945 bombs. *Hibakusha* are heavily discriminated against in Japanese society. Many of them, their children and relatives, cannot find either marriage partners or work outside the coterie of surviving families and their offspring.

While 2,500 police protected the official ceremony, several thousand people from the Gensuikin, affiliated to the Japanese Socialist Party, and the Gensuikyō, linked with the Communist Party, and two other groups of anti-nuclear activists and peace organizations, demonstrated against Mr Nakasone's domestic political policies.

Left-wing critics of Mr Nakasone say he is determined to revive militarism in Japan and will lead the country to war.

Several international guests were among the invited mourners at yesterday's official ceremony, including representatives of Hiroshima's twinned city, Volgograd in the Soviet Union.

A similar memorial service will be held on Sunday at Nagasaki, where the second bomb was dropped, effectively bringing an end to the Second World War in the Pacific. Ceremonies to mark Japan's surrender will be held on August 15.

London: CND protesters claimed yesterday to have painted human shadows close to the Dulwich retirement home of Mrs Thatcher, as part of a commemoration of the dropping of the atom bomb on Hiroshima.

Police were investigating 4ft-high political slogans painted in the road outside the estate in south London, which is protected by an 8ft-high brick wall, barbed wire, electronic gates and security surveillance.

A CND spokesman said the human shadows had been painted outside the estate because "Margaret Thatcher is the person most responsible

Police examining silhouettes, above, painted outside Mrs Thatcher's Dulwich home by the CND. And, in Hiroshima, Japanese stage a "die-in" to mark the atomic bombing.



for the unilateral build-up of British nuclear weapons."

Mr Martin Butcher, of Amhurst Road, east London, said: "We felt that her home was the appropriate place in London where we could bring home to her what could happen as a result of her action."

Embassies of countries possessing and believed to be developing nuclear weapons were the main focus of the overnight protest. Thousands of ghostly shadows were painted in streets and on pavements throughout Britain, including Parliament Square, the steps of the US Embassy,

Eros in Piccadilly, and the French, Soviet, Pakistani and West German embassies.

Sixteen people had been arrested, including four outside the South African Embassy, said Mr Howe.

MANILA (AFP): Left-wing students calling for a nuclear-free Philippines staged a "die-in" in front of the US Embassy here to mark the anniversary of the Hiroshima bomb.

About 50 members of the militant League of Filipino Students, some of them wearing skull masks, lay down on a busy street for about five minutes, witnesses said.

## Amnesty given to detained Tamils

From Vijitha Yapa, Colombo

The Sri Lanka Government has announced an amnesty for about 3,800 suspected Tamil guerrillas held in various detention centres in the southern part of the island.

The move came after the Government announced a pardon for those who laid down arms at a ceremony in Jaffna on Wednesday where the main Tamil guerrilla group, the Liberation Tigers of Tamil Eelam, surrendered 188 weapons to Indian and Sri Lankan troops.

A source at the Ministry of National Security said 800 release orders had already been signed for the detainees and the first batch of 500 will be sent by ship to northern Sri Lanka at the weekend. Many suspects have been detained at Poosa, about 70 miles from Colombo, under the Prevention of Terrorism Act, which allows detention for up to two years without trial.

The Minister of National Security, Mr Lalith Athulathudud, said the release of the detainees was to occur after all arms had been surrendered by the Tamil guerrillas. "Though it was not part of the accord, we decided to release the detainees as an act of good will after the first batch of arms was surrendered by the Tamil guerrillas on Wednesday," he said.

The amnesty does not apply to those who have been convicted of terrorism and terrorist-related acts. On Wednesday Mr Uma Maheswaran, leader of the People's Liberation Organization of Tamil Eelam, a guerrilla group, was sentenced to life imprisonment for a 27 million rupee bank robbery at Kilinochchi. Mr Maheswaran was tried in absentia, as he is in Madras.

It is expected that there will be a presidential pardon by decree for all Tamil militants convicted after trial.

President Jayewardene will also appoint interim administrators to the Northern and Eastern provinces of the island pending elections to the provincial councils and by-elections for vacant parliamentary seats. The poll, under the Indo-Sri Lankan accord, must be before December 31.

Meanwhile, police said that about 500 people belonging to the Sinhalese majority have been arrested in the Southern province in the past few days in connection with recent protests against the accord. The US Ambassador in Sri Lanka, Mr James Spain, has condemned a *Pravda* article, released to the local media, which accused the United States of exploiting the Sri Lanka crisis to take hold of the Trincomalee naval base.

DELHI: Sri Lankan troops killed two Tamil guerrillas on Tuesday, five days after the ceasefire, the Tamil group EROS said (Reuters reports).

## Four killed in Madrid gas blast

Madrid (Reuters) — Four people were killed and 18 injured yesterday when a gas explosion wrecked an apartment block in a Madrid suburb, police said.

Five people were seriously hurt in the blast, which destroyed two floors of the four-storey building and shattered windows of cars and buildings up to 200 ft away.

## Crime swoop

Naples (Reuters) — Six thousand Italian police arrested 224 people and seized arms, drugs and stolen goods during a 48-hour crime swoop carried out in three southern provinces.

## Rebel held

Lima (AP) — The Peruvian Interior Ministry said it had captured Freddy Rea, a high-ranking leader of the Shining Path guerrillas accused of engineering scores of rebel raids.

## Chad alert

Najamena (Reuters) — Chad has put its armed forces on the alert for another confrontation with Libya. It says that Libyan troops are massing in the northern desert region and along the eastern border with Sudan.

## Miners die

Johannesburg (Reuters) — Three black miners were killed in fighting, both above and below ground, at a gold mine east of here, the General Mining Union Corporation said.

## Hindus killed

Chandigarh (Reuters) — Suspected Sikh extremists shot dead five Hindus who were travelling in a car not far from the holy city of Amritsar, police said.

## Crackdown in Germany Kurdish fury over raids by police

From Our Correspondent, Bonn

West Germany's Kurdish population, angered by police raids this week, has long felt itself a disadvantaged minority but now it feels doubly discriminated against.

The raids on the offices of Kurdish associations and the homes of leading members in a number of cities have "tarnished us all with the terrorist brush", a Kurdish spokesman said yesterday.

The Chief Federal Prosecutor's office said 39 locations were raided on Tuesday in an attempt to secure evidence that an "organized terror group" was operating in West Germany. A spokesman said there had been five murders of Turkish Kurds and two attempted murders, as well as six arson attacks on Turkish premises since mid-1984.

"There are strong indications that these attacks were not carried out by individuals, but by an organization within the separatists who are fighting for a Kurdish national state," he said. They were using legal Kurdish associations as a cover, and recruiting members from within the organizations.

A spokesman for the Association of Kurdish Workers, Komkar, in Cologne, said yesterday that police actions had been directed mainly against the Kurdish Workers' Party (PKK). "That leads the German public to believe the PKK is a terrorist group," he said. "Just because one group of people indulges in violence, you can't condemn all."

Over the past few days Kurdish activists occupied the offices of West German institutions in a number of European cities, including Paris, Copenhagen and Liège.

to protest against the police action. They also blockaded the Lower Saxony State Parliament in Hanover.

There are an estimated 350,000 Kurds in West Germany, the fourth biggest minority in the country. About 98 per cent come from Turkey. They complain they are not treated as a national minority but as Iranians, Iraqis, Syrians or Turks. Unlike Turks — West Germany's

Amsterdam — About 40 Kurds, protesting against the treatment of political prisoners in Turkey, yesterday ended a 46-hour hunger strike at the offices here of Amnesty International which they had occupied on Tuesday (Reuters reports). The demonstration was against alleged torture and murder of political prisoners in Turkey.

largest minority group — they get no special facilities for radio programmes or schooling.

A spokesman for Komkar said it shared the supposition of the Chief Federal Prosecutor that an organized terror group existed within the Kurdish community. It was a "very complex situation," he said, and implied that the terror was directed against the separatists who want to establish an independent Kurdistan.

STOCKHOLM (Reuters) — Ten Kurds were arrested yesterday after they occupied the office of the West German airline, Lufthansa, in central Stockholm. The Kurds ended their protest peacefully after being contacted by a representative of the West German Embassy.



## SPECTRUM

# The coup that never was . . .

As the row over *Spycatcher* rages on, Brian James examines the dangerous era of the Sixties, when the rich and the famous were seduced by a whiff of treason

The Sixties: the Beatles were marching up the charts, Mary Quant was making sketches of even tinner mini-skirts for people like Twiggy, and bathed in the sentimental afterglow of just-discovered sex, the force we looked to to dominate the world was Flower Power.

Yet, it is possible that beneath the surface of those soft-focus times other men saw the country as moving towards anarchy? And were they sketching their own plans to seize power and restore order from the chaos they saw looming with the decline of Britain's power and the rise of student rebellion?

Men as prominent as Lord Mountbatten of Burma, national hero and cousin of the Queen, and Cecil Harmsworth King, chairman of the world's largest publishing empire? Men as knowing in the ways and perils of treachery as top officers of MI5? Men as instinctively obedient as senior military officers?

There is little doubt that singly and severally such men did contemplate and discuss a coup — a democratic obscenity, fit, surely, only for distant four-lettered countries like Cuba or Peru.

It will be astonishing if the book that is on everyone's lips but on very few tables — Peter Wright's *Spycatcher* — does not throw light on this time. Because of the controversial ban, Englishmen cannot legally learn as much as, say, Americans or Scots about this vivid interlude. There is, however, much that is already known and more to discover from others active at the time.

The entire truth of the attempt by King — a nephew of the first great press baron, Northcliffe, head in 1968 of the vast Mirror group and reputedly a long-time MI5 agent — to enlist Lord Mountbatten as leader of some sort of businessmen-based coup, may never be explained. Two versions of a crucial meeting between these two men exist and it is in their clear discrepancies that intriguing questions still reside.

The first version, by Cecil King's confidant and heir Hugh Cudlipp, well describes the background to that meeting, beginning with King's



Cecil King outlines his "treacherous" plan to (from left) Hugh Cudlipp, Solly Zuckerman and Lord Mountbatten at the meeting on May 8, 1968, in Mountbatten's Knightsbridge flat

support of Harold Wilson in 1964, his swift disillusion (not unconnected with Wilson's clear intent neither to reward him with a life earldom nor seek his constant advice) and King's conviction that Britain was sliding towards anarchy.

As a member of the Court of the Bank of England, King was in a position to know of the City's pessimism: his own newspapers had been carrying daily bulletins on a sick nation ridden by Communist-led strikes, incapable of earning its way in the world. Americans were sending men around the moon; Britain often could not get its goods through the docks.

King had no doubt that débâcle was inevitable, nor that he would then play a major part in saving the nation. "The only doubt was whether the new regime would send for Cecil Harmsworth King, or King send for the new regime," wrote Cudlipp, who having mentioned to King a casual discussion with Mountbatten about the state of the nation was deputed to arrange a meeting of these like minds.

That meeting was fixed for 4.30 pm on May 8, 1968, at Mountbatten's London home in Kinnerton Street, Knightsbridge. But before they met, Mountbatten telephoned to say he would be inviting Sir Solly (now Lord) Zuckerman, then Chief Scientific Adviser to the government, would be a weighty ally.

Cudlipp described the "candour" with which King outlined his apocalyptic fears (*The Times* that day front-paged a student uprising in Paris and police with dogs were called to the Essex University campus) and his ideas for the future. Finally, he asked Mountbatten the crucial question: would he agree to be the titular head of a new crisis administration? Mountbatten turned to Zuckerman: "What do you think of all this?"

Zuckerman's response was to rise, walk to the door, and declare: "This is rank treachery. All this talk of machine guns at street corners is appalling. I will have nothing to do with it. Nor should you, Dickie." Mountbatten nodded in agreement. Zuckerman then departed and, according to Cudlipp's version, so almost immediately did King.

Lord Lambton, the former Tory Cabinet Minister who is preparing a biography of Lord Mountbatten, does not accept the Cudlipp account as the full story. "There is mystery here, still," he told me this week. "I do not say my new book will explain the matter, but nor will it accept that all is known. There are a number of curiosities . . . loose ends."

This, he added, is not his view alone. "When the matter was first made public a very senior member of the then government took me aside in the House to say that there

was a deal more to the story yet to be told. For this reason I recently invited both Denis Healey and Harold Wilson to discuss the matter for my record. Neither cares to do so."

But the best evidence of matters undisclosed is in the very different version of that meeting reported by Philip Ziegler in the official Mountbatten biography. "Ziegler records King's own wildly different version: i.e. that the meeting took place at Mountbatten's initiative, that Zuckerman, embarrassed, left early, then Mountbatten did all the talking, emphasizing the Queen's anxiety at the state of the nation, and that Mountbatten had said nothing to indicate that the role suggested for him by King was unattractive."

"Ziegler tends to dismiss the King version," said Lord Lambton, "but I find it odd that he uses the phrase 'the record of the meeting, as agreed between Mountbatten, Zuckerman and Cudlipp'."

"There is also Ziegler's account of Cudlipp going to

Mountbatten's home at Broadlands a few days before to discuss the state of the country. That makes it fairly obvious why the London meeting was being held. So why did Mountbatten agree to see King?"

There are other curiosities. Two years after that first meeting, King again wrote to Mountbatten to re-open the subject of an "emergency" government: a strange thing to do if the noble earl's denunciation of the idea had been as ferocious as his archives claim. Although Lord Zuckerman has been robust in his refusals to discuss the meeting, Cudlipp records him saying: "I wonder what Dickie would have said had I not been there."

Lord Lambton continues: "My own view is that Dickie Mountbatten — not, remember, the most acute of men — had been pining for some sort of significant role in Britain, a destiny, just as he loved to trace his lineage back by a dozen different routes to Charlemagne."

"I also think he was

**'It will be astonishing if Wright does not throw light on this vivid interlude in our time'**

Stan Francis

ment, aided and abetted by the CIA.

That some elements of the military were involved in concerted or concurrent thinking about a coup is not doubted. The military historian, John Keegan, has described a lecture at this time given by Cecil King to the Army Staff College, which he rated baldly as "a treasonable attempt to subvert the loyalty of the Queen's officers". The magazine *Private Eye* reported frequently on the "private armies" propounded by worried retired generals.

Nor can it seriously be doubted that from motives of over-heated patriotism, perhaps, soldiers of the time became involved in political organizations to a degree previously unthinkable.

Around Downing Street, as the crises deepened, schemes began hatching to get rid of Wilson: "the everyday stuff of politics", as Lady Falkender has pointed out. "Perhaps the existence of so much chat and gossip about plotting Harold's political downfall got these others thinking along similar lines." These others were King and his government of big businessmen, MI5 and their campaign to discredit Wilson, the generals and their dreams of a nation answering to their ideas of discipline — all responding in bizarre and dramatic fashion to the fear of the time. We should not doubt that patriotism alone informed their paranoia.

The core issue that persuaded some that civilization was giving its dying gurgles could be contained in one word: youth. For 1968 was the year of the student. Throughout the world, as though answering some coded call undecipherable to the over-25s, students took to the streets in protest. Across the USA, anti-Vietnam rallies left classrooms empty. A coalition of French workers and the young of the Sorbonne forced massive wage increases and educational grants from a tough Gaullist regime.

The call was most robustly answered in Britain. Phrases like "sit-in" and "demo" were learnt, men like Tariq Ali and Daniel Cohn-Bendit flitted from country to country, encouraging belief in an international Marxist conspiracy. And on one awful March afternoon, 5,000 of Britain's brightest young fought with Britain's police by the US Embassy in Grosvenor Square. The young men and women who wore their Che Guevara T-shirts into action that day now manage funds, see patients in private practices, occupy top posts in industry.

But in May 1968 they terrified some in an Establishment already convinced that Britain was being governed by the subverted Left, to a degree — and perhaps towards solutions — that only men like Peter Wright will ever be able to reveal.

## How a maestro helped to pull off a hi-tech musical miracle

### Stroke of pure genius

life's work on digital tape to sustain his market leadership in the post-LP era.

When Sony's chairman, Akio Morita, unveiled the compact disc six years ago, it was Karajan who endorsed it with the words: "All else is gaslight."

Karajan worked behind the scenes to persuade Morita to choose Austria rather than an EEC country, and convinced local politicians to provide

incentives for Sony. The Japanese ambassador to Austria called him "our economic and cultural attaché". No musical director has involved himself so intimately in electronic hi-business in his eightieth year, Karajan has become, literally, a superconductor.

Morita, aged 66, was too sick to attend last week's opening but the frail maestro, aged 80, was there, half-carried on to the platform by willing aides. He remained 600 guests from a dozen nations that the record industry was 100 years old and he had been failing his presses for half that time. "The fruits have been very great," he said, adding hastily: "I mean the spiritual ones, not the financial."

Norman Lebrecht

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## CONCISE CROSSWORD No 1329

<b>ACROSS</b>		1	2	3	4	5	6
1	Loyal song (6)						
4	Spiced rice dish (6)						
7	Bring up (4)	7		9			
8	Bishop's tunic (8)						
9	Unsuspected danger (7)						
11	Parent's sisters (5)	9		10		11	
12	Fuddy-duddy (5-3-3)	12	13				14
15	Grind down (5)	15			16	17	18
16	Small portion (7)			19			
20	Older Welsh bishopric (8)	20					21
21	Gardener's basket (4)						
22	Detective (6)	22					
23	Humorous coarse (6)					23	
<b>DOWN</b>							
1	Fertile (7)						
2	Attribute (5)						
3	Mannequin (5)						
4	Heap (4)						
5	Opposite-meaning word (7)						
6	Centre of attention (5)						
10	Foot kg joint (5)						
11	Plant house (5)						
13	Place apart (7)						
14	Lesser deity (7)						
15	Chief civil jinni (5)						
17	Make accessible (5)						
18	Around (5)						
19	Track (4)						

SOLUTION TO NO 1328  
ACROSS: 1 Caliph 4 Tripod 9 Bivouac 10 Forum 11 Reef 12 Figures 14 Samuel Pepps 18 Milkop 19 Nave 22 Army 24 Lemna 25 Trying 26 Aries  
DOWN: 1 Cube 2 Live 3 Plus fours 5 Ref 6 Portray 7 D6 mode 8 Sealed Pipe 11 Bus 13 Green belt 15 Allergy 16 See 17 Impart 20 Vetus 21 Kait 23 Yca

## Charitable snaps

He is not, he insists, another Bob Geldof. Nevertheless, Gareth Pyne-James, the man who is responsible for setting up Search 88 — the largest national fund-raising campaign against cancer in the UK by the end of next year by staging a series of fund-raising events. The first will take place next week when the entire population of Britain is asked to go out and take photographs of people, places and events that typify today's Britain for them.

These photographs, each one with a minimum donation of £1, will be sent off in special entry envelopes and a panel of celebrity judges will select 350 to be published as a book in November. The Duchess of York has already promised to send five.

The Search 88 team expects a posting of between four and 10 million entries. The logistics of coping with numbers like this seem daunting but what happens if the entire population turns out to be snap-happy? "I've taken out insurance to cover that eventuality," says Pyne-James.

More and greater schemes follow. Plans for an Arch Rivals Race, to be held in co-operation with the BBC on May 1 next year, are already well under way. Up to 88 international teams will try to set records from their capital cities to Marble Arch via L'Arc de Triomphe, attempting to break the Paris-London record on the way. Other events will include a gala evening in the Royal Albert Hall and a series of sporting fixtures such as polo at Windsor Great Park.

One man's mission: Gareth Pyne-James takes cancer fund-raising into the post-Band Aid age



Gareth Pyne-James: "My friends thought I was mad"

How did one man pull all this together? Pyne-James, who is 30, was brought up in South Africa, though his parents were British in origin. Working his way from job to job — going from the army to catering, from tea boy to sales rep, from advertising to metal engineering — he learnt skills which he insists are essential to his fund-raising work now.

He also had a personal reason for wanting to do something for cancer charities. "A very close friend of mine died from cancer. She was like the big sister I never had. She had one mastectomy, then another. Then she got cancer of the bowel, of the spine and of the brain. She was determined not to let cancer lick her, but in the end the cancer won."

The idea for Search 88 came overnight. Pyne-James, then a marketing consultant, was staying with friends in Buckinghamshire when he woke up with the perfect scheme to raise money. It would rely on commercial sponsorship, television and the public's participation and he knew exactly how to go about it. "My friends thought I was mad, but I wanted to do something constructive with my life. I'm not interested in a nine to five job, 2.4 kids and a mortgage. I thrive on challenges."

Having gained the approval of the other cancer charities and initial encouragement from industry, Pyne-James began to spread the word. By a stroke of luck, his girlfriend's cousin was Hertz director Naomi Graham, and Mrs Graham proved to be a valuable convert to the cause. Not only did Hertz agree to be sponsors, but Mrs Graham provided contacts as well as cash.

She introduced him to people like Michael Grade, Duke Huxley and Major Ronald Ferguson. "It was like a game of skittles. Naomi was the first skittle down and the rest just followed."

It was all a great gamble, but Gareth's confidence has carried the day. "In order to make something big, you've got to do something big. That's what Search 88 is all about."

Lee Rodwell

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Search 88 is based at 25 Soho Square, London W1 (01-724-7777). Eighteen million forms are being sent out this week and others are available from bookshops, banks, building societies and railway stations.

## SATURDAY

—Portfolio Gold—  
£12,000 to be won



## Unsung delights

Forget the peeling holidaymakers, bursting time-share flats and the rowdy discos of the Costa del Sol's high-season bustle. In tomorrow's *Times*, Pearson Phillips discovers its off-peak pleasures: olive groves, almond orchards, vineyards, and even the chance of a chukka . . .

Glass with class  
Toasting the new drinkware

The bambino factor  
Young touch to eating Italian

Can you always get your copy of *The Times*?

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# RUGGED UPPERS. DOUBLE-KNOT STITCHES. BONDED SOLES. NOW AVAILABLE TO THE WELL-HEELED.

You might think that the attributes to which we refer above are not much sought after by the average Harrods customer.

However, nothing could be further from the truth.

For no longer are tough, durable boots and shoes seen as merely practical additions to the shoe cupboard.

In New York, Paris, Rome, and now Harrods, they are positively fashionable.

That is, if the shoes in question are made by one particular company.

Timberland.

Yes, there are other companies that make boots and shoes remarkably similar to those you see on this page.

But those companies don't make them the way they do at the famous  
Timberland  
workshops in  
Hampton,

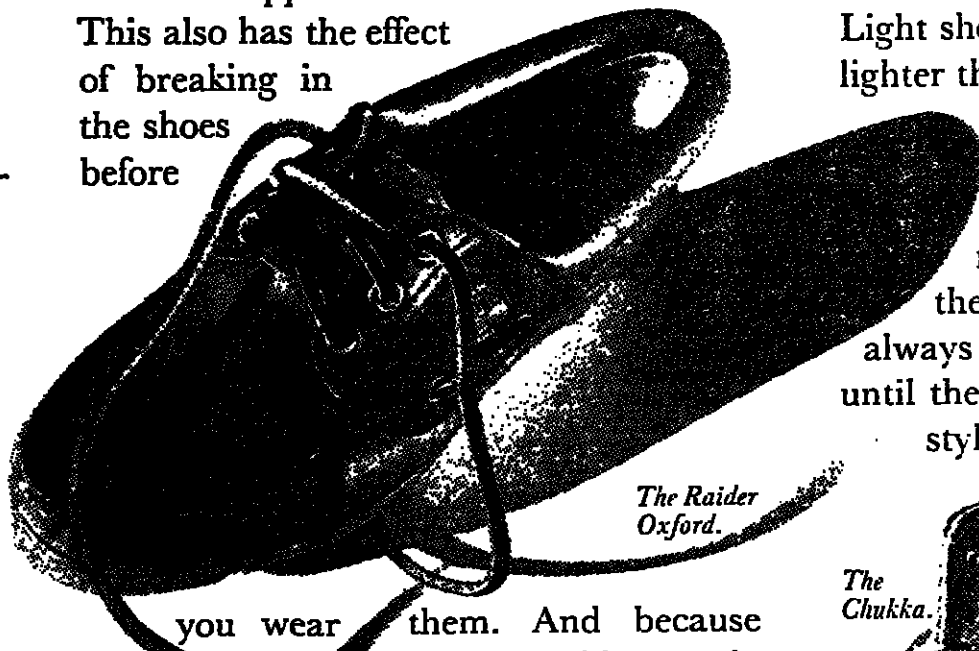
New Hampshire, USA.

For instance, the leather is dyed right through so you can't scuff the colour away. Then, it's impregnated with silicone to keep any water at bay and prevent the leather going dry.

(In fact, their entire new collection is 'Guaranteed Waterproof' for the entire life of the shoe.)

Timberland uppers are constructed using an old trick borrowed from the Red Indians' original moccasin design.

A single piece of leather is stretched and moulded round special lasts to ensure that the uppers don't crack with time. This also has the effect of breaking in the shoes before



you wear them. And because there isn't a machine yet invented that can cope with stitching on a hand-stretched leather, Timberland rely on that old faithful, the hand. Each shoe is hand-sewn using a double-knot pearl stitch that will not come undone, even if the high strength nylon thread is cut.

The ordinary parts of a Timberland shoe are also extraordinary.

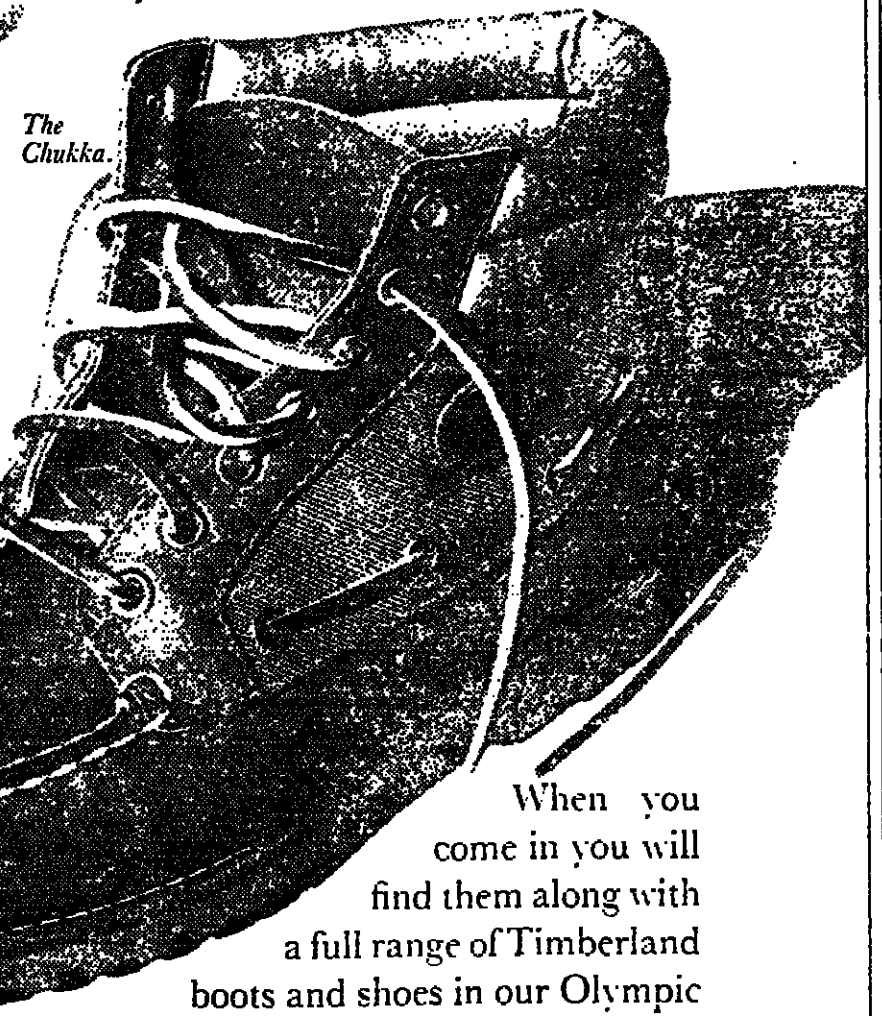
The rawhide laces are self-oiling (don't ask us how) for extra flexibility and longer life.

The eyelets are made of solid brass for the simple reason that brass does not rust. And just in case you're worried that all these old fashioned virtues may not be able to face up to the rigours of modern life, Timberland has embraced whatever scientific advances

they think can genuinely make their shoes more comfortable or long-lasting.

To that end, the new range of Ultra Light shoes have soles that make one pair lighter than most single casual shoes.

Given Timberland's legendary standards of craftsmanship and performance, it is hardly surprising that they are now on sale in the one department store that has always appreciated these values. Indeed, until the end of the month, their six new styles are exclusive to Harrods.



When you come in you will find them along with a full range of Timberland boots and shoes in our Olympic Way Sports Complex on the 4th Floor. Timberland. More quality than you may ever need.

**Harrods**  
KNIGHTSBRIDGE

Harrods, Knightsbridge, SW1. Telephone 01-730 1234.



# THE TIMES DIARY

## Gould's game

Bryan Gould's success as Labour's campaign manager is set to wreak havoc in next month's NEC elections. With nominations due to be published this weekend, Gould has made it known that for the first time in years he plans to stand in the left-dominated constituency section. Popular with both wings for his media skills, Gould may even topple David Blunkett from top place. He may be joined by Robin Cook who, having been supplanted by Gould as campaign manager, is now enjoying a comeback with a place in the Shadow Cabinet. Another contender is Ken Livingstone, whose fiery Commons maiden speech on anti-IRA activities has gone down well in the constituencies, where they love nothing better than a conspiracy. The main casualty is likely to be Tam Dalyell, the party's Belgrano watchdog, whose election last year surprised no one more than himself. Audrey Wise, who in the past has scraped in partly thanks to Livingstone not running, is also set to say her goodbyes.

## Tebbit to return?

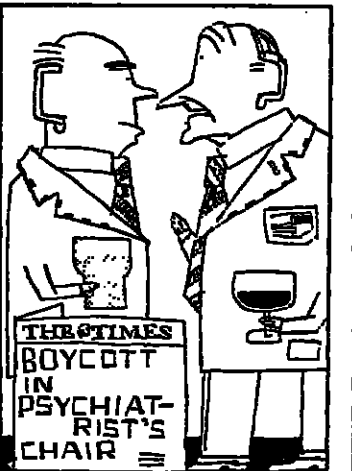
Cabinet members are increasingly convinced that however long Norman Tebbit remains as Tory chairman — the word is that he may use the standing ovation he will inevitably receive at the October party conference to resign — his leave-taking will be only temporary. I am told that his plans to spend more time with his disabled wife, Margaret, injured in the Brighton bombing, will take the form of a sabbatical rather than retirement. As one insider said: "Churchill managed it." Meanwhile, talk continues that his almost-certain successor, Lord Young, will combine his present job as Trade Secretary with the chairmanship, although this would mean the energetic manager would have an almost unprecedented workload.

● The East End is now a tourist resort. A magazine is running a competition with the prize of a weekend break in a London hotel and the chance to "see the real-life pub, lamppost and the square on which the *EastEnders* TV set is modelled".

## Spit and police

Sir Kenneth Newman has been presented with an "Oscar" by waggish colleagues for his performance as Metropolitan police commissioner. The newly retired police chief's trophy is a gold-painted copy of his *Spitting Image* TV puppet, complete with a blue flashing light embedded in the head. The gift, presented last week, was commissioned from the show's creators, Peter Fluck and Roger Law. The two puppet-makers, downhearted at losing two of their stars — Newman and Dr David Owen — in the same week for the next series in September, were well rewarded: police officers collecting the Newman puppet handed over photographs of the new top cop, Peter Imbert, with details of his uniform. Though he does not have ears like errant wings, I am sure Fluck and Law are finding solace in Imbert's sizeable head.

BARRY FANTONI



"I'd rather it had been the Test team selection committee"

## Red light

Soviet speed merchants are being brought to book with the introduction at the weekend of a new traffic rule in Moscow. The cars of the privileged, previously unrestricted in their reserved centre lanes, will be held to 80 kilometres an hour. This is on top of the ban on left turns at most junctions and a notional 60 kph speed limit in town. But would-be Fangios still have a chance — Moscow is one of the few capitals where you even attempt to break the speed limit, as there are so few cars.

## Poet's corner

To publicize my colleague Peter Ackroyd's new novel, *Chatterton* — a sure contender for the next Booker Prize — Waterstone's bookshop in Kensington is toying with plans for a weird window display on publication day in September. The idea is to pay a youthful model to spread himself languidly over a *chaise-longue* in the style of the poet's pose in the saccharine Henry Wallis portrait. Moustached and middle-aged Ackroyd has no plans to play the part himself. "I'll stick to doing radio interviews," he says.

PHS

So, the SDP has spoken, and expressed a clear desire for union with the Liberal Party. The majority for union at the grassroots is, in a sense, all the more impressive for having been achieved against the urging of a popular and well-respected party leader and some of his senior colleagues. It is one of those rare but always impressive occasions in politics when the democratic will expresses itself to change history. The SDP members have echoed the will of their supporters in the country.

We now have an intensely practical and necessary task ahead of us, which is to negotiate the formation of the new party with due deliberation but also with a proper sense of urgency. Events will not wait upon us.

I hope that every Social Democrat, even those who disagreed with the union option, will feel able to accept the majority verdict. I know this has been a difficult time for the SDP. It hasn't been easy for us in the Liberal Party either, but now we must all look to the future.

We should remind ourselves of what we all came into politics to do, some as Social Democrats and some as Liberals. It certainly wasn't to spend our days eternally locked in self-contemplation like a group of Eastern mystics. It was to break up the cosy but ultimately corrupt duopoly of two old class parties, and it was to show that a new politics based on the union of head and heart, private initiative and the public good, is not only possible but essential if Britain is to flourish.

I have worked for this vision of progress and reform for the whole

# A third force that can change Britain

by David Steel

of my political life. When the SDP was established six years ago, I welcomed these new and energetic allies who had the same vision and who would bring fresh strength to the cause. So they have, and every Liberal should be grateful for their courage. Yet perhaps neither party fully realized how difficult it would be to breach the walls of the old system. The ramparts may have cracked but they have not come tumbling down. For that to happen we need a clearer unity of purpose and commitment.

It is a paradox that, at the last election, the Alliance, which was so much more united on policy than the Conservative or Labour parties, was seen by the electorate to be divided. We seemed uncertain whether we wished to become the government of Britain, and the voters, unsure of our resolve, did not support us to the full extent of our potential.

Despite our seven-million-plus voters, there were several millions more who might have rallied to us if we had sounded a clear and more confident note.

So, to overcome an electoral system and a political system both designed to exclude any new voice, our third force has to be united nationally, as it is locally. We have to build a strong new party, and I am confident that the Liberal response to the SDP ballot will be positive and decisive.

I hope that the new party will combine the best of the Liberal Party and the SDP: constitutionally, organizationally and in a common sense of purpose.

We must demonstrate in our internal party arrangements that what we believe would be best for Britain — open, accountable, decentralized and democratic self-government — is best for us too.

In the sphere of external relations, we should demonstrate our belief in internationalism, moving on from the half-baked Gaullism of the present government to play a positive role both in the European Community and the wider

community of nations. We should be committed to collective security within the Western Alliance, but equally dedicated to the creation of a shared system of common security with our potential adversaries.

At home, the new party should stand for a genuinely wider distribution of wealth and power determined to ensure that whole areas of the country and sections of our fellow citizens are not excluded from the good life. We must become a voice for the voiceless. We should arrest the growth in the concentration of power and the burgeoning authoritarianism in Whitehall. We should work for a new partnership in our divided country, between employee and manager at work, between local government and local enterprise, between government and industry and between Parliament and people. We should make the market work for people, by insisting on competition and high standards of product and service for consumers.

I believe that it is possible to reconcile personal achievement and the common good, but that to do so requires a party which believes in both principles and government as enabling both the individual and the community to succeed. That is not true of the Conservative or Labour parties, but it could and should be true of the new Alliance party of Liberals and Social Democrats.

It is the reason I look forward to the years ahead with a renewed sense of determination and excitement. The best is still before us.

John Grigg

# When Reagan should resign

The United States is an obsessively legalistic nation. Lawyers dominate American politics, and when a scandal such as Irangate occurs the questions regarded as all-important are: Has the law been broken? Did the president have guilty knowledge?

Richard Nixon had to resign when it eventually became clear that he had obstructed the course of justice. Certainly he had to go, even though in most respects he was a well-above-average president, with an exceptional grasp of foreign affairs. Ronald Reagan, on the other hand, whose disqualifications for world statesmanship are now more than ever obvious, seems likely to survive, merely because any law-breaking there may have been in the Iran-Contra affair (of which he claims, himself, to see no evidence) was apparently not authorized by him or known to him.

But is this really the issue that should count above all others? Should American citizens — and America's allies — be expected to treat Mr Reagan's ostensible innocence of law-breaking as a sufficient reason for his continuing to hold an office of almost unique power and responsibility? Surely the very fact that he was ignorant of what was going on, combined with the decision, admittedly his, to sell arms to Iran in spite of his declared policy, throws more doubts on his fitness to remain president than any technical breach of the law.

If it is agreed that he ought, in principle, to resign, how and when should he go? Persuasion will be needed, and he may prove hard to persuade. He will hope at the very least to delay his departure until the signing of an arms deal with the Soviet Union, which could provide him with a glorious exit.

Such a delay would probably also be in the general interest, because Mr Reagan is still the man best qualified to sell détente to the right wing of the Republican Party. George Bush, who would automatically become president if Mr Reagan were to resign, is far from congenial to the Republican right, and his premature succession might damage the chances of making an arms deal stick in the United States.

Meanwhile, Mr Reagan would continue to function as a figurehead, the role at which he excels. He is a superb constitutional monarch, and it is a great pity that the American system has required him to rule as well as reign. The practical, as distinct from the ceremonial, work of the White House would be largely in commission, as in a sense it has been throughout his presidency. And we can only hope that the people now handling the business are more competent and reliable than those they have replaced.

Should he decide to resign after signing an arms deal, he could plausibly do so on grounds of health. And if he were to go early next year, the new president would then have a fair amount of time to establish himself, so that he could

both beat off Republican challengers to his candidacy and, if nominated, the Democratic challenger in the presidential election next autumn.

But, of course, the Republican right will be keen to deny Mr Bush the major advantage of incumbency. The Democrats, too, have an interest in not making life too difficult for the president, because they will want their candidate to fight a Republican who is not already occupying the top job.

Irangate in some ways recalls the Suez affair of 20 years ago, when a British prime minister resigned after a foreign policy fiasco involving the Middle East. Eden's physical and nervous condition at the time made resignation for health reasons even more convincing than it would now be in Mr Reagan's case. But, health apart, Suez cost Eden, much of the prestige and moral stature he previously enjoyed. Moreover, since Mr Reagan is, like Eden, temperamentally a prima donna, with an undue psychological dependence on the love and admiration of his public, his loss of self-confidence and morale must be comparably disastrous.

Yet the differences between Suez and Irangate are very marked, and worth noting. Eden's terrible aberration followed a career devoted almost entirely to foreign affairs, of which he was very knowledgeable, and from the details of which he was unable to detach himself even when he became prime minister. Mr Reagan's problem has been gross ignorance of the subject and a style of government more relaxed even than that of Eisenhower, who anyway made up for it in experience of the outside world.

These contrasts suggest that knowing too much and being too busy may cause as much trouble as knowing too little and being too lackadaisical. The best leaders, necessarily rare, are those who achieve a balance.

There is also a most striking contrast, which we in this country should take to heart, between the way the skulduggery of Irangate has been exposed and the way that of Suez was covered up. The truth about collusion, though widely suspected at the time, has come out only in dribs and drabs, and even the Westland inquiry by a select committee was tame compared with the Irangate hearings. We still have much to learn from the Americans in the rigorous investigation of political scandals.

PS: commenting on my column last week, Mr Hugh Pessett (Letters, August 4) mistakenly describes as "incorrect" my statement that Lord Palmerston, as an Irish peer, did not have to sit in the House of Lords, but was eligible for the Commons. It is true, though irrelevant, that until 1922 the Irish peerage (like the Scottish peerage until 1963) elected representatives to sit in the Lords. But Palmerston was not one of them. He sat in the Commons throughout his career.

however... Henry Stanhope

# On being tired of London

The sea is glistening in the sunshine as I write this and the sky is full of gulls and the scent of summer. I am on holiday in east Devon and have half a mind not to come back.

How long it will stay like this is a matter for speculation. No doubt a band of low pressure is drifting across the Atlantic at this moment, accompanied by a westerly air stream and those leaking clouds that show on television which look like an illustration from *Winnie the Pooh*. But I don't think it will make any difference.

If I were halfway across the Sahara in a sandstorm with a diminishing cup full of bilharzia-blown water for sustenance, I would still view my impending return to the metropolis with dismay. Pegged out across an anthill in the jungle, surrounded by dancing cannibals with machetes, I should still rejoice in the fact that I could under no possible circumstances hear a telephone. Holidays are holidays after all.

There is however another reason why I regard my return to the London has become so uninviting. As a schoolboy reared amid the sound of sheep and curlews, I found the glitter of London life quite irresistible. The lights, the music and the jostling aggression of the rush hour acted on me like an everlasting disco. Nor did its attractions fade for many years.

However enchanting one found Paris, however charming Amsterdam, however thrilling New York or exhilarating San Francisco, London was always somehow that bit better. That this is no longer the case is admittedly partly subjective. But it has as much to do with London as with me.

The other day High Street, Kensington, was ankle deep in litter while the eastern end of Oxford Street was looking decidedly seedy. Open-fronted shops with ghetto blasters, fast-food bars and property developers have turned parts of the West End into an open-air disco, smelling of onions, behind a cunningly constructed sculpture of scaffolding.

Now one's reaction to all this might be to ask, what's new? Even Mrs Thatcher was affronted when

on returning to this country from abroad she found London looking less than pristine. If she can't do anything about it, then who can?

One answer, of course, is to make Britain's planning authorities do their job. Then, instead of stopping Mr Alfred Myddleton-Whist from extending his kitchen scullery by 3ft, they would prevent modern architects from turning central London into a living memorial to Passchendaele.

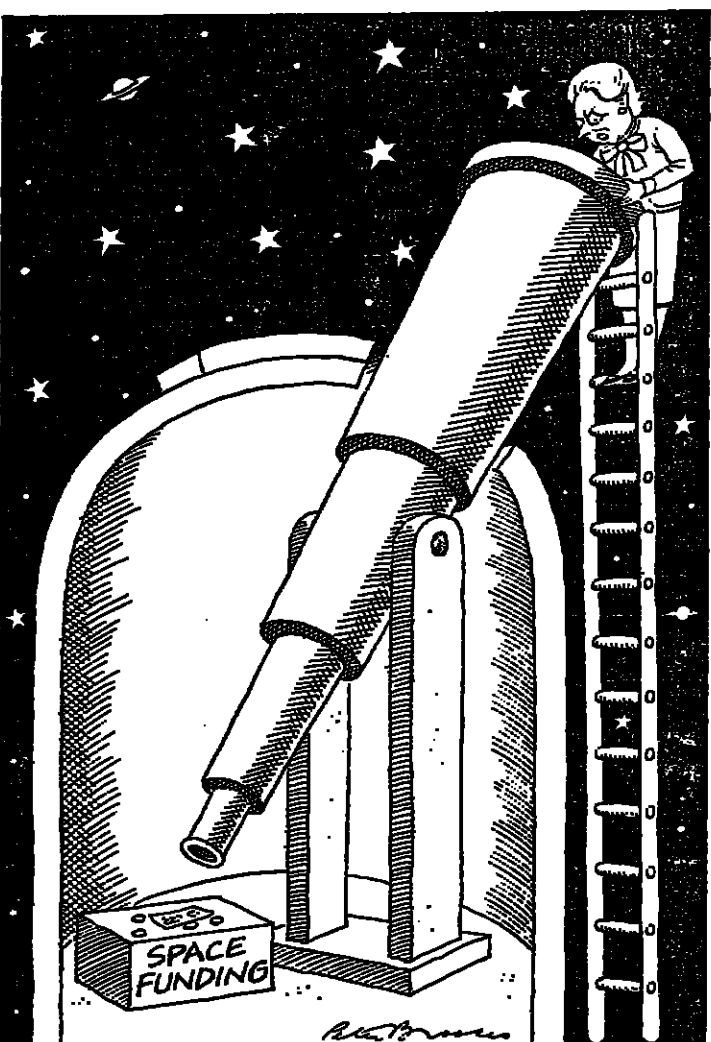
I have, however, another idea which came to me last night in bed. It is to create another capital elsewhere. The Americans after all have Washington (not New York). The Australians have their Canberra, the Brazilians, Brasilia, the Canadians, Ottawa — even the Argentines are now planning to supplant Buenos Aires. Should Britain be left behind?

London could be abandoned to the tourists and the agents of unbridled commerce. Architects could design their tower blocks with the lavatories all outside and open-roofs ("an imaginative exploration of 21st-century design") — after property developers had bought and pulled down Belgrave Square to make room for them. Armies of vengeful French schoolchildren and American families from Idaho could wander unimpeded through the Houses of Parliament — privatized and run by London inheritance plc.

Green Park and St James's Park could be used for speculative building, the royal family having moved with some relief to Windsor. Hyde Park could become a leisure centre with the first Inner City motel, and so on.

And the new seat of government? After careful consideration between 11 o'clock and 11.30 last night I have decided to throw my weight behind the choice of Exeter. It is after all still closer to London than Washington to New York. I hear, incidentally, that Exeter airport has been extended to take Concorde, so the government is thinking on similar lines.

Yes, I think I should have picked the site to build my house along this cliff-top. Indeed, if I wait long enough I might never need to come back...



ogy but to the need to develop the technologies to exploit the benefits that space can offer. One area of obvious potential, and of particular interest within Britain, is that of earth observation. Frequent global surveying of the land, oceans and the lower parts of the atmosphere has great relevance in land use, oceanography and environmental control.

Some of these applications are like meteorology in that they have economic significance but are unlikely to result in a commercial service, while others, relating for example to exploitable resources, could easily do so. Although the potential of this field can be easily recognized, it is not ready for commercial exploitation now, as France's Spot project has shown.

This is because a large, long-term investment in the ground segment still has to be made, ranging from the processing techniques to be applied to the data obtained from orbit, to the development of the basic sciences — geology and oceanography for example — which have to fully integrate these new techniques into their development.

As long as the exploitation of new applications rests on long-term technological and scientific development, the government is the only realistic source of funds. So, the debate about the space

plan is essentially about our entry into, or withdrawal from, a whole area of exploitable technology in the 21st century.

If it is accepted that the space programme must be largely funded by government, what is the case for an increase in the rate? The programme, though small by comparison with that of many similar nations, is not exactly cheap at £112 million a year, and even at this level some areas — basic space science for example — have been strikingly successful.

The argument is, in essence, that if we are to match our industrial capability to the developing possibilities of the new technology, we must be able to establish a coherent national strategy in space, with programmes which are inherently international in character. At our present level of expenditure, we all too often follow our partners rather than lead them in the directions of greatest national benefit to Britain.

Because of the high cost of space programmes, a purely national programme would be nonsense; the European Space Agency is, and must remain, the heart of our programme. We must be able, however, to influence the ESA in nationally desirable ways, by raising our participation to a level proportionate to our gross national

product. This would allow us to take part in at least some ESA programmes at a level which gives us strong voice in them.

Britain is interested both in taking part in the Columbus Space Station programme and in promoting remote sensing. These interests come together in the Polar Platform, a man-tended segment of the space station mainly for remote sensing. The conclusion is that we should take part in Columbus at a level where we can take a lead in the Polar Platform.

Future launcher technology — Hotol in particular — is a vital area where our present posture leaves us without any power to influence the direction of European development.

While the European agency must be the core of our space programme, it must not be the whole of it: a domestic programme essential to exploit effectively the investment in the ESA, and to give the flexibility needed to construct a complete national strategy.

For example, our contribution to the ESA basic science programme in astronomy gives us access to satellites on which to mount instruments. On its own, it brings no scientific returns whatsoever. If these are to be achieved, we must also build the instruments, analyse the data obtained, maintain a healthy scientific community, and carry out long-term development for future missions. Only with this further outlay do we get an actual scientific return.

Even in those parts of the programme where the instruments are part of the spacecraft, we must analyse data and maintain the scientific community on a long-term basis. These costs are at least 50 per cent of the direct European subscription, and by the time we add the flexibility to enter other, non-ESA, programmes to a limited extent, where this is necessary to complement the European programme, the direct costs are even higher.

Raising the level of participation in the European Space Agency to an adequate level, and matching it with an appropriate minimum domestic programme, were the main thrusts of the British National Space Agency's plan. The penalty for inadequate investment in the domestic programme is failure to properly exploit the European subscription. Participation in the European programme at too low a level, as at present, means inability to shape a space programme responsive to national needs. In both cases, beneficiaries are those of our partners, such as France and Germany, which maintain their space research programmes at an adequate level.

The author is Professor of Space Research at Birmingham University and chairman of the Space Science Programme Board of the BNSC.

# Spinning a line

Philip Howard: new words for old

observations in green ink.

It is weakness to think of maths as peculiarly difficult, or the highest form of thought. All it is a system of increasingly complex tautologies. It suits mathematicians and accountants and such-like to pretend that their mystery is uniquely important. Plato had inscribed above the entrance to the Academy: "Let no one ignorant of mathematics enter here." One of his students, struggling with some ghastly abstract problem of Platonic maths, once asked Plato: "What practical end do these problems serve? When you get to the bottom line, what is to be gained from them?" Plato turned to his attendant slave and said: "Give this young man an obol, so that he may feel he has gained something from my teaching, and then expel him." That

was the bottom line for him. The vogue for bottom lines in politics, journalism, and all kinds of discourse apart from accountancy shows how the financial and business worlds have suddenly become gushers of slang. For centuries, while the City was run by an old-boy network and clerks writing the bottom line in careful copperplate, its jargon was conservative and schoolboy. Since the deregulation of the stock exchange and the introduction of high-tech (called the Big Bang by the British, Mayday by the Americans), the new procedures and new people have become rich sources

Wednesday's article on oil supplies and the Gulf referred to a world surplus of oil of 4 million barrels a year. This should have read 4 million barrels a day.

of slang: City Speak and Biz Talk. The new words and phrases, usually originating in America, range from the technical jargon such as front-end loaded and Laffer curve (tax revenue supposedly rising as tax rates fall) to the jocular and playful, such as all the variations with gold (golden eggs are benefits such as job-producing facilities: a Japanese company told the Florida legislature that it would reward the state with golden eggs if it repealed Florida's unitary taxation law), and valium picnic, which means a slow day on the New York Stock Exchange. Ten years ago a slow day would have been a trade of five million shares. Such has been the explosion in market activity that 60 million shares is a valium picnic today.

Not all this new slang from the financial world is elegant or useful. But it is a sign of vitality and change. And the bottom line is that time will distil what is useful or amusing from it: and the rest of us don't have to copy it if we don't like it.





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## SHOCK IN THE MARKETS

Yesterday's one per cent rise in interest rates is a rare example of a Chancellor leaping before he is pushed. It is none the less welcome for being rare. Chancellors are naturally reluctant to raise rates before they have to and, given the cost to industry, home-buyers and the humble overdraft holder on the Clapham omnibus, they are right to be cautious.

The drawback of such caution is that the longer the warning signs are ignored the longer it is before the medicine takes effect and the greater the risk that a higher dose will be needed later. Yesterday the effect of such unaccustomed physics on the markets was purgative. Investors tended to draw the conclusion that the economy was in a much worse state than they had thought. For the time being the stock market will remain in a state of delicate health.

The warning signs on the economy are certainly there, although the evidence is still quite evenly balanced. The economy is currently growing at a rapid rate compared both with recent history in the UK and with economies overseas this year. Although inflation is not set for a dramatic rise, the Chancellor has done well to recognize that it is not set on the downward path to which the Government is committed. Interest rates have to be his major weapon in this fight.

Comparatively strong demand in Britain and weak demand elsewhere is a classic recipe for a widening trade deficit. Foreigners have been rushing to satisfy UK demand and the first signs of trouble on the trade front duly appeared with the May figures in the middle of last month. After the interest rate rise yesterday the Machiavellis of the market immediately concluded that the June figures due to be released on Tuesday are likely to be poor again.

The supply of money and credit have been growing rapidly and, although much of the increase in the money supply reflects foreign funds moving into sterling earlier in the year, the longer the increases go on the more difficult it is to be certain that this growth is not inflationary. Pay has also been rising at a rapid rate raising fears that if productivity growth slows industry's costs will begin to rise.

## RESTORING THE MOULD

The new party may think that it is going to carry on breaking the mould. But, in reality, two-party politics came back yesterday. That will be the result of the SDP's vote to merge with the Liberals. The resulting new party will not be one of the two. They will remain the Conservatives and the Labour Party.

At this point, the usual caveats must be entered. The future cannot be predicted. Some unforeseen event could change the whole face of politics. Hubris may eventually strike down Mrs Thatcher and the Conservatives. Labour may not necessarily be the beneficiary of that eagerly-awaited commutation. Politics is a strange business. And so on.

But the present and the past are the only guides available to the future. Britain's present and past tell much about what happens to third parties in a system designed for two. The Liberal-SDP Alliance formed in 1981 thought it was going to replace Labour as one of the big two parties. Or at least, it thought it was going to hold a parliamentary balance between them, and then force the introduction of proportional representation.

But in a two-party system parties do not become one of the big two easily. Neither the Conservatives nor the Liberals did so by replacing one of the big two - Liberals from old Whigs, Conservatives from old Tories.

Once, with Labour through the 1920s, a third party did it. Many works have been written about why that happened. It used to be thought a simple matter of 1920s manual workers suffering so much poverty that they finally threw off "deference" towards the Conservatives and Liberals, and turned to a new party which appeared to represent their interests. Later, it was thought that such things as splits among the Liberals and changes in the method of voter registration might have had just as much to do with it, if not more.

The Liberal-SDP Alliance hoped that it would be a simple matter of 1980s manual workers suffering so much bullying from the unions, and so much unemployment from the free market, that they would throw off

Interest rates have also been edging up overseas, reducing the advantage of holding funds in London. Higher oil and other commodity prices and the continuing burden of the US budget deficit have gradually been strengthening fears of renewed inflation worldwide. In Japan the Government's expansionary package is raising worries of an acceleration in prices and in Germany the Bundesbank remains characteristically cautious.

One of the few indicators which is not pushing the Government towards higher rates is the one which has been the trigger for the majority of recent movements in interest rates, namely the exchange rate. Hence the surprise in the markets at the timing of the move. The pound has been easier over the past week, but largely because the dollar has been buoyed up by events in the Gulf. At around DM2.95 sterling was still well within the unspecified range of the Louvre accord on exchange rate stability of about DM2.90 to DM3.

The decision to move in circumstances when there is clearly not an immediate pressure from the exchange rate, unlike the upward pressure on interest rates last autumn and the downward pressure between the Budget and the election, lends new credibility to the Chancellor's often expressed policy of looking at all the relevant indicators and not just one. We do, it seems, have a monetary policy as well as an exchange rate policy after all.

It has to be remembered too that, if the economic arguments before the Chancellor were finely balanced, the balance of political risks will certainly have argued strongly in favour of a pre-emptive move. One of the least happy periods of recent monetary history occurred last autumn when the Government held out against a rise in interest rates during the period of the Conservative Party Conference long after it had become clear that an increase would have to come. Mr Lawson will not want to repeat the experience of addressing the Conference in an atmosphere of sterling crisis. By moving early on interest rates he may have avoided consigning himself to that fate a second time.

deference towards the Conservatives and Labour, and turn to another new party which appeared to represent their interests. But, unlike Labour in the 1920s, the Alliance could not convince the manual workers that it really did represent their interests. In the 1980s, that feat was accomplished by Mrs Thatcher.

Many works will be written about why that happened too. Provisionally, it looks as if it was because the manual workers shared neither the attitude of many Liberals towards deference, nor the social philosophy of modern Liberalism - a philosophy embraced by such prominent SDP figures as Mrs Shirley Williams. The one Alliance figure who did not seem to be thus identified was the one whose advice was rejected by a his party yesterday: Dr Owen.

The new party - whether it is called the Liberal-Democrats, the Alliance or whatever - will be a glorified Liberal Party. It will be in the position the Liberals were in between the 1930s and 1981, but with up to two million more votes - perhaps more, but not enough to break any moulds.

There will be Orpingtons and rumours of Orpingtons. There will be an attempt to embark on the great and hazardous adventure of an electoral pact with Mr Kinnoch or some later Labour leader. But the main opposition to the Conservative Party will be the old Labour Party - something very gratifying to the Conservatives. It is a tragedy for all who want two parties which broadly agree about the nature of society, and about how that society's security against foreign aggression should be secured.

What should Dr Owen should do about it all is rather different from what he probably will do. What he probably will do is become an independent Social Democrat or something of the sort. What he should do - if he is really serious about never going in with the Conservatives - is go into the new party and fight for his principles against the devious and skilful Liberal leader who had his revenge over him yesterday.

### Abuse of children

From Mrs M. H. Williams, JP  
Sir, The present controversy over debatable decisions in respect of child-abuse cases emphasises once again the need for a proper review of the judicial procedures. The present arrangements appear to encourage rather than prevent the intrusion of human frailties into what is a highly complex situation.

Our adversarial system of justice insists that an opposing point of view is made available when judgments are to be made. Under the French inquisitorial system (letter, July 15) opposing evidence is also available to an examining magistrate.

Under our present hybrid system of child-care procedures, where the adversarial element has been curtailed, ostensibly to protect the children involved in such cases, often no such opposing view is available. Judgements are made on one-sided evidence presented to the court and justices are in danger of becoming mere signatories to a foregone conclusion.

The result benefits no one. Social workers and medical staff are castigated and feared by the public, who see them as wielding too much power. Justices are criticised for decisions which the system makes inevitable. Children suffer needlessly.

It is to be hoped that radical

changes in procedure will be adopted when the necessary legislation to make provision for the new family courts, discussed in your feature of July 24, is approved.  
Yours sincerely,  
M. H. WILLIAMS,  
5 Summerfield Rise,  
Goring, Berkshire.

### Teachers' references

From Mr John Kenny  
Sir, It is difficult to follow the logic of D. A. Wells (July 27) and those of his ilk in questioning the wisdom of Manchester Education Committee's open-file policy with respect to references.

If Professor Wells considers his assessment of the candidate to be absolutely honest, accurate and capable of defence in any possible subsequent libel action then why on earth should he insist on keeping it a secret between himself and the prospective employer?

How many careers have been stunted by testimonials which have been inaccurate through vindictiveness or incompetence and which the subject in question could have corrected had he or she been given the common courtesy of viewing?  
Sincerely yours,  
JOHN KENNY  
52 Johnson House,  
Ebury Street, SW1.

### Health care costs

From Mr R. C. Millward  
Sir, You quote (August 1) the Chartered Institute of Public Finance and Accountancy as stating "evidence that efficiency nationally is improving (in health care costs) comes from the fact that the average length of stay in hospital has been reduced from 10 to 7.6 days over the decade to 1984", while, as is stated in your later editions, "during the same period the number of day cases doubled". Why are these statistics regarded as a measure of NHS efficiency?

It is obvious that they have little meaning in this context if, as a result of an increased "throughput" of patients, there are more readmissions to hospital; if patient care becomes more hazardous and stressful; if extra work and costs are placed on GPs and community services; if added pressure on wards overburdens nurses and aggravates staff shortages; and if an increasing number of doctors and other professional staff seek early retirement from the service.

How long will it be before it is recognised that the Government's application of the supermarket criteria of efficiency is inappropriate for a health service with totally different aims?  
Yours faithfully,  
R. C. MILLWARD,  
29 The Padlock,  
Pembury, Tunbridge Wells, Kent.

## Crumbs from the R & D table

From Professor P. B. Fellgett, FRS  
Sir, It is to be hoped that the resignation of Mr Roy Gibson from the British National Space Centre (report, August 5) will help concentrate the minds of the Government on the deficiencies of their funding of scientific research, especially when coupled with the report that West Germany is increasing its investment in R & D (research and development) to keep it in line with that of Japan and the USA. All three countries invest in this way nearly twice as much as Great Britain in proportion to GNP.

Moreover space research is one of the "big five" research areas, and the plight of all other scientific research outside these favoured areas is far worse. Nor is this the whole picture. Preservation of living knowledge by scholarship and learning, adding to knowledge by research, and discriminating knowledge by teaching, all at the highest level, are indispensable components of the knowledge and culture base of the country without which Britain becomes culturally, scientifically and technologically a Third World country.

Only respect for knowledge, learning and teaching for their own sakes, and what follows from this respect by way not only of material support but also academic liberty, can save the country from the fate of being dependent on crumbs from the cultural and economic table of more enlightened nations.  
Yours faithfully,  
P. B. FELLETT,  
The University of Reading,  
Department of Cybernetics,  
3 Earley Gate,  
Whiteknights,  
Reading, Berkshire,  
August 5.

From Mr Rodney Buckland  
Sir, The announcement of the resignation of Roy Gibson, Director General of the British National Space Centre, comes as another sad blow to the thousands of engineers, scientists and financiers who feel that Britain should be contributing its fair share of the

funding for the space infrastructure projects that will take Europe into the nineties and beyond.

Gibson's space plan has already been in Whitehall for over a year. The Government clearly does not yet take space seriously. British Government space spending is about a fifth of its R & D budget. Its recent refusal even to provide enough money to the European Space Agency in the run-up to the November meeting of space ministers means that Britain will not be the strong package-deal partner that it should be.

In last-ditch efforts to keep our interests in the key Columbus project alive efforts are now being made to "borrow" funds from other ESA projects in which Britain participates.

British industry will undoubtedly suffer in the short-term division of the contractual cake for the Columbus launch vehicle, telecommunications satellite and other projects but, in the longer term, the rewards of ownership and use of commercial systems are more likely to belong to those whose governments underwrote the initial risks.

Perhaps the Government's signal to industry is, "If space is such a wonderful thing why don't you invest now?" If so, it's worth recalling the mid-1982 Government announcement that it had decided on the introduction of two satellite channels "which should be available within five years". It was then Government policy that this development should be a purely private sector one, using British satellite technology.

When the satellite channels finally start in the autumn of 1989 at the earliest they will be transmitted from a US-built satellite launched on a US-built rocket - not a good platform on which to launch an assault on export markets.  
Yours faithfully,  
R. A. BUCKLAND,  
Heather Cottage,  
Blackhall Lane,  
Sevenoaks, Kent,  
August 5.

## 'Spycatcher' case

From Lord Rawlinson of Ewell, QC  
Sir, One matter to which Lord Shawcross (August 3) et al do not address themselves is - what was, and is, the duty of the law officer who is constitutionally the guardian of the public interest when a former officer of the security service seeks to publish "revelations" in flagrant breach of loyalty and (it may be) the law of confidentiality?

Is it not in the public interest (in the sense of that term) to seek to prevent that breach? And would it not be a breach of duty in the law officer were he not to seek to protect the public interest?

## Random breath tests

From Mr James Dunbar  
Sir, Robert Kilroy-Silk (article, August 1) is right about one thing - random breath-testing (RBT) is coming. It is a scientifically proven lifesaver. We should not expect publicity campaigns to stop drinking and driving. All the years of "clunk-click" only persuaded 20 per cent to wear seat belts. Legislation persuaded 90 per cent.

Publicity campaigns are expensive but RBT pays for itself many times over, freeing hospitals, welfare services, and police for other tasks. The BMA and some senior policemen have said that the present law fails to deter and RBT should be introduced.

Finland introduced RBT in 1977 following the persistent failure of publicity campaigns and spiralling penalties, including imprisonment. Since its introduction, drinking and driving has halved. A typical checkpoint consists of eight to 12 policemen, each with an Alcometer, standing along the central line in the road.

## Rural transport

From Mrs Mary Rose Mangles  
Sir, May I suggest a more satisfactory alternative to the problem of underused rural railways raised (July 30) by the Chairman of Norfolk County Council's Planning and Transport Committee; that is, their promotion for tourism and freight as well as for the local population.

Network South East has shown what can be achieved by energetic promotion. Templecombe station, for instance, was reopened in 1983 with a forecast for annual revenue of £30,000. There were also fears that passengers would be taken from adjacent stations. In 1986 Templecombe took over £100,000, while revenue improved at both adjacent stations.

Road congestion is increasing rapidly. Last year traffic in Somerset increased by 10 per cent over 1985. There is an urgent need to find alternative methods of transport, particularly for goods, otherwise life for people living near busy roads is likely to be bleak indeed.

The M25 has shown that it is not always possible to build our way out of congestion. In Somerset alone there are more than 60 communities needing bypasses. The British public may not wish to see British lives at risk they may not care so much about British metal.

Yours sincerely,  
P. R. WILLIAMS,  
58A Rosemary Hill Road,  
Four Oaks,  
Sutton Coldfield, West Midlands.

Putting aside some maladroitness in the attempt to stop the breach, putting aside the opportunism of those acting out of the theme of a duty always to oppose: putting aside the conduct of all those who seek to publish the "revelations" who may be activated by the very highest principles and without a thought to profit, what is the guidance of all the great and good on whether Mr Wright and other ex-officers should be left freely and unhindered to publish?

On analysis where, at heart in this sordid affair, does lie the real public interest?  
Yours faithfully,  
PETER RAWLINSON,  
House of Lords.

Drivers of all vehicles other than emergency services are tested. The procedure takes seconds.

British public opinion is behind RBT and support is likely to increase after its introduction, as happened in Australia. More people are killed by drunk drivers than are murdered and more people are seriously injured by drunk drivers than are criminally assaulted. Opinion surveys show the public knows this and wants something done about it. Far from causing friction between police and public, RBT has shown to enhance esteem for the police.

Like security checks at airports, RBT is a necessary intrusion if thousands are to live. It's popular, effective, pays for itself and enhances the police image in the public mind. Government has no comparable alternative.  
Yours faithfully,  
JAMES DUNBAR,  
The University of Dundee,  
Department of Forensic Medicine,  
Royal Infirmary, Dundee,  
August 3.

day by public transport. Between the main towns of Yeovil and Taunton there are only two buses per day and it is not possible to make the journey by train, except by staying overnight. These too young, too elderly, or too infirm to drive a car are becoming more and more isolated.  
Yours faithfully,  
M. R. MANGLES (Chairman,  
Public Transport Subcommittee),  
Somerset County Council,  
County Hall,  
Taunton, Somerset.

## Danger in Gulf

From P. R. Williams  
Sir, With reference to your editorial of August 3, you state that Britain and other European countries should take part in a steady long-term policy of keeping the Gulf open to international shipping. What about Japan? They have a sizeable Navy and considerable financial resources to support any commitment. How long will the West allow Japan to hide behind its Constitution?

Your editorial also suggests that the decision relating to the supply of minesweepers must remain open. One way around the problem might be to introduce a policy of "lease-lend", this time going the other way across the Atlantic. Whilst the British public may not wish to see British lives at risk they may not care so much about British metal.

Yours sincerely,  
P. R. WILLIAMS,  
58A Rosemary Hill Road,  
Four Oaks,  
Sutton Coldfield, West Midlands.

## Face to face with massacre survivors

From the Chief Executive of ActionAid  
Sir, Three days after reading your July 25 account of the massacre at Homoine, Mozambique, my own work coincidentally brought me face to face with survivors of the massacre in the Chicuco Hospital in Inhambane Province.

As I went from bed to bed with the doctors the personal stories I heard confirmed and widened the account of the atrocities first reported by your correspondent. I met a girl of 10 whose mother and five brothers and sisters were shot as she watched. The guerrillas then put a bullet into her one-year-old brother as she was holding him on her hip. Miraculously they survived.

Another of the children I saw, a boy about three, was so malnourished that he might not survive even in the hospital. It was probably concern about his health that brought his mother to Homoine: a fatal concern, as the guerrillas shot her as she waited outside the Homoine dispensary.

These children, together with others orphaned in the massacre, will remain in the hospital for several months hoping that someone will arrive to claim them. Their chances are slim. Among the 389 people confirmed killed, whole families disappeared.

Most of the people I saw were shot in the back as they ran or tried to hide. I lost count of the number of wounded. In one ward I saw eight women all of whom had been shot through the chest. A Mozambique doctor, not trained as a surgeon and working under difficult circumstances, had operated on so many that the oxygen supply was exhausted and the antibiotics were almost finished. Many bullets passed through people but others are still lodged inside as finding them without X-rays was impossible.

There were others whose skulls had been split open with machetes. Most died but five or six arrived still alive. They had been sent on to a bigger hospital with little hope of their survival.

Everybody knows that, despite the denials, the massacre was carried out by Renamo. That this organisation can operate openly from Portugal, now a member of

## Detention in Kenya

From Lord Gifford, QC  
Sir, Among the cases cited by Amnesty International in their recent report (details, July 22) on torture and detention in Kenya is one which should arouse our particular concern. Gibson Kamau Kuria is a lawyer who has been detained without charge under Kenya's public security regulations since March 3, 1987. He had been acting on behalf of three other detainees in civil actions alleging false imprisonment and torture, and in a fourth case for the family of a man who died in custody.

Amnesty International have concluded that Mr Kuria was arrested and detained "solely on account of his professional legal activities on behalf of political prisoners." They report that lawyers are now reluctant to take on political cases because they fear similar reprisals.

When a lawyer is detained because he takes on cases which are displeasing to government, the rule of law exists no longer. Lawyers internationally should be vocal in expressing their abhorrence of such a state of affairs.  
Yours faithfully,  
GIFFORD,  
35 Wellington Street, WC2,  
August 2.

## Smoking risks

From the Acting Chief Executive of the Health Education Authority  
Sir, T. E. Uley's attack (article, August 3) on our support for restrictions on smoking at work misses the point entirely. Our purpose is to protect non-smokers (rather than smokers) from other people's cigarette smoke, now known to be 100 times more dangerous than asbestos in buildings.

Mr. Uley is also wrong to claim that Japanese smokers are immune from lung cancer. Japanese lung cancer rates bear the same relationship to smoking habits as in Britain, once differences such as age at which smoking commenced are fully allowed for.  
Yours faithfully,  
DONALD REID,  
Acting Chief Executive,  
Health Education Authority,  
78 New Oxford Street, WC1,  
August 6.

## To one's cost

From Mr Illyd Harrington  
Sir, I was bemused by Sir John Butterfield's letter on the NHS drug bill in today's Times (July 29). I read it waiting for my NHS prescription for two items in a chemist in Queensway, London.

It said, *inter-alia*, that "our medicines are amongst the cheapest per head in Europe". They cost me £4.80. I looked at my NI contribution for the month - it is £91.24.

I am aware that part of this is a contribution to my retirement pension - but "cheap" medicine is not a part of this. Well, not for me; perhaps for Sir John. Or is a poll tax a poll tax under another name?  
Yours sincerely,  
ILLYD HARRINGTON,  
16 Lea House,  
Salisbury Street, NW8,  
July 29.

the EEC, is one of the tragic ironies of the situation.

But the rifles, ammunition and landmines come from South Africa. It is principally these arms that have driven Mozambique to a position where several million people are totally dependent on food aid. Drought and mistaken government policies have also contributed, but the fundamental cause of the hunger, the thousands of arms and legs blown off and the thousands of deaths, is the arming of Renamo.

Mrs Thatcher and President Reagan have kept their contacts with South Africa. Let them now use those contacts to tell South Africa to keep out of Mozambique. We must demand that the people of Mozambique, who have already suffered so much, be allowed to begin to rebuild their lives.

Yours etc,  
ROLAND HODSON,  
Chief Executive,  
ActionAid,  
Inhambane, Mozambique,  
July 29.

## ON THIS DAY

AUGUST 7 1981

This was the first of several long-distance flights by Jim Mollison (1905-89), setting new records. His Gipsy Moth was the gift of Lord Wakefield.

## FROM AUSTRALIA IN NINE DAYS

MR. MOLLISON'S NEW RECORD

### FEAT OF ENDURANCE

From Our Aeronaut Correspondent  
Mr. J. A. Mollison landed on English soil near Pevensey at 1.35 p.m. yesterday, and so lowered the time for the record flight between Australia and England by two days. He left Wyndham at 1 a.m. local time on Wednesday of last week, which means, if no allowance is made for the difference of time between Australia and England, that the flight occupied 8 days, 11hr, 35min. Adding the 5hr, 44min he has gained in his westwards flight, the actual time of the flight becomes 8 days 20hr, 19min.

This great flight ended adventurously, as it began. On Wednesday morning it was Mr Mollison's intention to fly direct to England from Athens, but the weather became difficult and he called first at Rome; then, after "hanging about" near Marseilles for daylight to help him over the hills, at Paris; and finally at Pevensey after being warned in Paris that visibility was bad and thunderstorms were threatening. Within two hours of his landing in England the weather became clearer, and, taking off again, he reached Croydon at 4.41 and was given an official welcome by Mr. F. Montague, Under-Secretary of State for Air.

On the first stage of his journey... Mr Mollison made a forced landing in a jungle clearing because he tried to make too long a non-stop flight. At the end of the voyage he made a forced landing in Sussex because he attempted to fly through weather which defied most of the air liners. Between these two adventures he had contented himself with an average of two hours' sleep in every 24 hours, and all the way from India he had flown by day and by night in an open cockpit machine without goggles. His only pair was blown off his flying helmet when he pushed them up to obtain a little relief from the heat, and at none of his subsequent ports of call had he the time or the spare energy to get another pair.

### FLIGHTS COMPARED

When he reached Croydon yesterday afternoon he was very weary, but in good spirits, and he was not very certain that he ought to accept the embraces of relatives in his travel-stained condition... As a feat of endurance his flight is no less remarkable than that of Mr. Post and Mr. Gatty, who flew round the world with hardly time for sleep, for though the distance covered has been less, it was flown in a slower machine and the flying hours were about the same...

This, as has already been explained in *The Times*, was the Gipsy Moth in which he had an accident at Darwin on June 7 when attempting to take off. It was fitted with extra petrol tanks, but was otherwise the standard machine so widely used for training amateur pilots...

AIRMAN'S STORY  
In the course of a description of his flight given to a Press representative last night Mr. Mollison said that in all he had wasted a day and a half out of the total of nearly nine days owing to bad weather... He added:

While crossing Lower Burma I encountered a heavy torrential monsoon storm. At one place there my machine was temporarily out of control. The dust storm did not cause me any great discomfort, except that I lost my way crossing Syria. I was following the course of the Euphrates when I flew into a dust storm, and I lost sight of the river. For a time I followed the course of my compass, but when I came down I found I had completely lost my bearings. I landed in an Arab encampment, and got my bearings from them...











## THE ARTS

## Deathly droll

In meteorology and in mourning it is difficult, it seems, to judge the moment when to crack a joke. In the last part of his ambitious poetic dirge, *Loving Memory* (BBC2), which toured the burial grounds of Europe, Tony Harrison made light of death, but more often heavy weather. Admittedly, the dourly muted accent of his reading voice often underplayed the wit of the lines and made the more extended meditation appear

## TELEVISION

more laboured. His obsession with the idea that the invention of moving film made death less absolute almost made you relish the thought that the deadly explosive quality of early film stock rendered not a few absolutely previous rather than immortal.

There was much, though, that pleased. The verse, the odd grating line excepted, was well-wrought and gently addictive. But, just when you became accustomed to the sombre tones, the measure of it all was riotously threatened by irreverent, giggling conceit. In *Père Lachaise*, ensnared in stone and graffiti, tended by a lingering fall-out of hippies, lies Jim Morrison, late of *The Doors* and that last fatal soaking in a Parisian bath. Prompted by a host of that mournful singer that death and his singular physical endowment "is the world", Harrison mused in explicit jest about what remains of "that vaulted part of him". With the anatomy of death, poetry has obviously moved on from those bracelets of bright hair about the bone.

When it comes to pulling out the deadly jokes, television's meteorologists are never shy. Mercifully, in *Weather Forecast* (Equinox, Channel 4) we were spared a demonstration by a farmer who claimed that the best way to know when to sow barley was to sit bare-bottomed in the field. The programme, however, never really got off the ground.

Uncertain whether to be scientifically informative or whimsically anecdotal, it was often neither as we followed mainly without narration the not very interesting weather of last Easter weekend. The key experts were the most interesting. Bill Foggie explained the predictive quality of frogs' spawn. More poignantly, a sheep farmer thought they might have told him about the Chernobyl cloud — at least the second time round.

Andrew Hislop



Magnificently in tune with Mussorgsky's original ideas: Nikolai Okhotnikov as a Boris Godunov of meaningful nuance rather than cloying histrionics

## The pomp of old Russia

## OPERA

Boris Godunov  
Covent Garden

The Kirov's final offering on their British tour is a *Boris Godunov* that follows current fashion in reverting to Mussorgsky's own orchestration but is otherwise fully traditional in its stage pomp. The prevailing colour is the dulled gold of old Muscovy, reflected from the onion domes seen beyond the set at significant junctures, or more generally simply flooding the stage. There are effective reproductions of Kremlin interiors for the Tsar's apartments and the whole of St Basil's Cathedral is brought to the stage, though with the candy colours of its post-Revolution restoration (the scene here is included as well as the final Kromy Forest scene).

Once more, too, the costumes demand admiration of their workmanship, for, even if they are less convincing than those of the two Tchaikovsky operas, they look rich and wearable: soldiers strut in white and scarlet, while the boyars have a luxurious range of furs and brocades, and Boris's outfits flash with gems.

The visual splendour, however, risks making one regret the absence of Rimsky-Korsakov's rescoring, which

trades in exactly these features of the picturesque and antique that were evidently less important to Mussorgsky. In the Coronation scene, for instance, the extra breadth of the Rimsky version might better support what one sees.

For different reasons, the Polish act is also a problem. Since it is not separated from the rest by intervals, its intrusiveness might very well be signalled by a change of orchestral style: an adventurous professionalism here might bring out the double ironies of the situation, in which both Pretender and Princess have good reason to support each other's false declarations of love. The unaided score is psychologically weak here, except where Rangoni's machinations are concerned.

However, the central performance by Nikolai Okhotnikov is magnificently in tune with the Mussorgsky scoring. This is not at all a histrionic Boris, a man shaking with guilt and spitting evil. Mr Okhotnikov is a singer of too fine a taste for that, and he communicates his meanings by nuances within a soft but weighty, grey and cold-hearted tone. The big set pieces do not leap out as moments of personal drama, and that is surely right for this version: even Boris's death, sensitively enacted though it is, comes as only an interlude before the much more vivid scene of the crowd's taunting a captured boyar.

Indeed, this is a performance to bear out the view that the opera's real central figure is the Russian people. The magnificent Kirov chorus also remind us, as they had in both *The Queen of Spades* and *Eugene Onegin*, how much Russian opera grows immediately out of folk-song.

Among the other heroes of the evening are Vladimir Chernov as a noble Shchelkalov, Yevgeny Boitsov as a time-serving Shushky, Irina

Bogachova as a haughty Marina, and Misha Nikanorov, who as Fyodor provides a strong Russian treble. Pimen's narrations and warnings are given with steadfast authority by Alexander Morozov, and Yuri Marusin's lyrical tenor sounds wild and certain enough to persuade one that Grigory ends the opera convinced he is the rightful tsar. Lyubomir-Yaroslav Romanchuk and Saveli Stryzhev are perfect as the vagrant monks: one can almost smell them. There is also a suave Rangoni from Valery Alexeyev, while Vladimir Solodovnikov pronounces the Simploton's frail salutations from strength, and affectingly.

Apart from its scenic richness, Boris Pokrovsky's production offers hints of stylization which might have been taken further: one comes at the end of the Coronation scene, where the royal family hold their faces together, echoing the pose of a Virgin and Child icon shown in the prologue. Yuri Temirkanov again conducts the orchestra which is so much a glory of this tour.

Paul Griffiths

## Legend of the silver screen

David Robinson at the Avignon Festival

The cinema side of the Avignon Festival tends to be retrospective. This year the main presentation was a 42-programme montage of feature films, newsreels and commercials, organized by the Vidéotheque de Paris to provide a picture of Paris in the turbulent Sixties, from the Algerian war to *les événements* of 1968.

More surprising was the celebration of 40 years of films by Kenneth Anger. One surprise was to realize that Anger, who still ranks as an enfant terrible, goes back so far. Another is to recognize that the entire output of these four decades, though it has maintained him as the standard-bearer of the young avant-garde, amounts to no more than 150 minutes of film. Much of this he has continued to rework over the years, re-editing and changing the music, 20 or 30 years on.

Anger, who was in Avignon for the retrospective, is the

more scandal-raking, to their author these tales of murder, rape, suicide, drugs, drink and every kind of vice are the Californian equivalent of the folklore collections of the Brothers Grimm.

Anger claims to have started shooting 16mm films at the age of seven, but the earliest to survive is *Fireworks* (1947), ecstatically praised by Cocteau and a huge *succès de scandale* in its time. Today it still appears both remarkably talented and touching — the homo-erotic, masochistic day-dreams of a lonely, tormented adolescent.

Another early film, *Rabbit's Moon*, is a haunting *media dell'arte* episode in a re-creation of Reinhardt's music forest: Anger cut out all the paper leaves himself and applied the silver paint. After Anger discovered Aleister Crowley and witchcraft, his films — *Inauguration of the Pleasure Dome*, *Invocation of My Demon Brother*, *Lucifer Rising* — took on the character of witches' sabbaths, invocations of nature, of exquisite *mise-en-scène*. All his work has the same haunting quality of myth and dream.

Anger's films may also reflect an ephemeral time-spirit: *Scorpio Rising* epitomizes the biker cult of the Sixties. He can be playful: a scene of a bike boy zipping up his jeans is overlaid with the newly-familiar plaint of "Blue Velvet".

## CINEMA

quintessential child of Hollywood. As a five-year-old in 1935 he played the changeling Indian prince in Max Reinhardt's *A Midsummer Night's Dream*. "This rite of passage scampering in spangles and plumes through Reinhardt's enchanted wood remains the shining moment of my childhood."

He seems successfully to have mislaid his parents early in life: the dominant influence was his grandmother, the wardrobe-mistress at Universal. "While other children were told fairy-stories in infancy, my grandmother passed on to me all the legends of Hollywood." The legends were later enshrined in Anger's two best-selling volumes *Hollywood Babylon*. To the uninitiated they may seem

Anger produces, conceives, designs, photographs and edits his films himself, devises the elaborate effects of superimposition, and usually plays a principal acting role. Currently, thanks to the patronage of Paul Getty Jr., Anger is at work on a film about a collection of Mickey Mouse toys — a symbolic return, perhaps, to Hollywood childhood.

## PROMENADE CONCERT

BBC Scottish SO/  
Maksymuk  
Albert Hall/Radio 3

The television presence was heavy at Wednesday's Prom. It was just as well, for the music-making itself was light: so lightweight that, without the visual image to trap it and hold it down, it would surely have vanished into the air.

It was partly a question of matter, but more one of manner. Stravinsky's *Scènes de ballet* and Thomas Wilson's *Intros: Towards the Light* are hardly, for instance, works of great weight. But Mozart's Piano Concerto No 22 and Schubert's Fifth Symphony are certainly not the frothy pieces of invention that Christian Zacharias and, particularly, Jerzy Maksymiuk would have had us believe.

The richness of orchestral texture and of theme unique to this Mozart concerto were barely perceptible. Mr Zacharias, who played very much from the outside looking in, seemed almost hypnotized by the technical details of his own fingerwork. The entire concerto became a crystal of minutely cut pairs of notes.

Hilary Finch

## THEATRE

Mr Bennett and  
Miss Smith  
Old Red Lion

present play is the absence of conviction that the characters are the people the author says they are, Arnold Bennett and the now-forgotten South African writer Pauline Smith. Bennett apparently took her

under his wing, acting as teacher and saviour to this timid gooseberry of a girl, prematurely withered by her nervous ailments and writing out memories of the Little Karoo as therapy.

The author, Marion Baraitser, herself South African, has hold of a potentially interesting situation here. Bennett and Pauline wrote to each other three times a week for 20 years, yet just before his death Bennett persuaded her to burn all their correspondence. After that she never wrote anything again.

The play imagines her at his bedside, glumly talking to herself, while behind the windows of John Jenkins's set stand racks of books, all of them black, ingeniously suggesting the mighty achievements of authors and their daunting effect upon the novice. Into the monologue step the young Bennett and the young Pauline, but the author declines to give these creatures of the past a coherent relationship to their older selves.

Josephine Banham, for example, has to shift between tongue-tied adolescence and

the voice of experience. With Peter Meakin's cocksure young Arnold also doing double duty as punitive conscience, while the older couple droop or mumble fragments of hymns, the thrust of the play becomes as nebulous as the characters. Some of the obvious psychological needs fuelling their friendship are suggested, but why does the dying Bennett want the letters destroyed? Cold-heartedness? Embarrassment? The author does not even make a guess.

Jeremy Kingston

## A vitally shared experience

Much is demanded of audience and cast alike in Mike Alfreds's five-hour staging of *The Wandering Jew*, which opens at the Lyttelton tomorrow: interview by Robert Gore Langton

On the Lyttelton stage at the National, Mike Alfreds is doing something rather bold. If his production of *The Wandering Jew* succeeds it will be a triumph of content over length. Unlike the RSC's *Nickleby*, a show whose eight hours successfully absorbed one of the best loved novels in English literature, *The Wandering Jew* is today probably better known as a variegated garden plant than as a work of fiction. Eugene Sue's novel has been long out of print in English, but in its day was a hugely popular French serial (published in Paris during the mid-1840s in magazine instalments) of a final length that makes Tolstoy's novels seem anorexic by comparison.

Alfreds's staging of it runs to a full five hours. Extravagantly epic, it tells the tale of a family fortune left in a will, with the rightful beneficiaries cheated by an evil priest. Passion, sentiment, outrageous coincidence, cholera and corruption are all enmeshed within a plot of countless strands and 50 characters played by a company of 17.

The myth of the Wandering Jew — the artisan condemned to wander the earth until Judgement Day for denying Christ rest at his house on His way to Calvary — becomes in Sue's novel a loaded metaphor. Micheline Wandor's adaptation has filled the book to workable proportions by dispensing with the novel's long tracts of polemic and social description, almost Mayhewian in detail, that the author's reforming zeal (and possibly the fact that he was paid by the page) lead him to include.

For Alfreds the book represents the sort of narrative meat he has always relished. This, like all his other productions, fits into an artistic credo which has always asserted the overriding importance of the actor.

"The only ingredient unique to theatre", he reckons, "is acting. Though I'm less purist about it now, I still believe that the actors are central to any production — the play should serve them, not the other way round. When I questioned myself closely as to what the theatre



Alfreds at work on the sort of narrative he always relishes

was or wasn't, one of the things I decided was that the actor came first. But the play — the written text — has evolved over the centuries to the point where it is now deemed to be what the theatre is about. Personally, I feel that a play is simply the most efficient material for putting on stage.

This point was repeatedly made in the productions he did with his own company Shared Experience, a touring outfit which he formed in 1974, after having trained in America, taught in London and worked in Israel.

As the company's fringing name suggests, those early performances were an inspired attempt to break down that invisible fourth wall between actor and audience. His *Black House* 10 years ago involved seven actors, six chairs and four evenings, with each character narrating and playing a variety of parts. A reworking of the *Arabian Nights* was in the same vein. Now, with the resources of the National to hand, Alfreds has moved on from poor theatre into what he calls "grand poor theatre". The principles remain the same.

"With *Wandering Jew* we are trying to keep it intensely emotional and gesturally very large. I want a much higher level of playing, giving towards melodrama. Much, of course, will depend on the audience.

Alfreds's methods are those of the sherpas leading his troupe on to discover new dimensions within character and narrative through their own resources, not his. Members are vetted for their commitment to boldness, experiment and truth. It's tiresome working with actors who delude themselves", he says. Generally, no fixed moves or stage positions are agreed upon. A production remains fluid even after the first night: "In rehearsal I do a lot of work layering in as much information on a character as possible so that the actors have a huge range of choices and resonances to pick at any one moment. There's a lot people don't see at first sight."

Alfreds proved the point that there are no small parts in Chekhov two years ago when, at the invitation of Ian McKellen, he made his National Theatre debut. An extraordinary company of 17, which included Roy Kinnear, Eleanor Bron and Hugh

Lloyd, put on *The Cherry Orchard* in the Cottesloe. The result was a bubbling, intensely colourful affair: the play was entirely divested of its accustomed cloak of Slavonic gloom, and as passionate as his *Three Sisters* was tragic. The production — a watershed in his career — won him Best Director award from the London critics.

Frankly unimpressed by current writing (full of "clever, witty comment often but no real theatrical blood"), he has not yet produced a play by a living writer. His work — always with an ensemble — is a statement in itself. Ludite that he is, he deplores the trend for giant showbiz productions to employ vast chunks of computerized scenery as theatrical heresy. Similarly, he feels actors are being used over and over again for what casting directors think they are good at, so the actor obediently trots out the same thing.

"I get terribly frustrated, you know, by what I call 'false acting', when the actor and director contrive to make an audience think they're being truthful. It's easy to get effects. I like a degree of rawness and rough edges; real theatricality, using those primary stage colours — human emotions."

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## FRIDAY PAGE

## TALKBACK

## 'I would call myself Ms Williams if it didn't sound like a wasp in a jar ...'

Should a woman be addressed by her husband's name? Liz Hodgkinson put the question on July 22. Here are your replies

From Mrs Dennis John Kelly Williams, Isalt, Welshpool, Powys

Why do I take such vulgar pride in letting the world know that I am my father's daughter and my husband's wife? Am I a simpleton, I ask myself, or just one of the fortunate few?

I could, I suppose, hide behind the identity of "Mrs Williams", if I did not object to being addressed by a name that sounds rather like a wasp that has been trapped in a jar. And what could Mrs Mary Williams do that Mrs Dennis Williams couldn't? Get the best table in a restaurant, a properly serviced car, a lightning reaction to a request for a workman, or a permanent smile on the face of the bank manager?

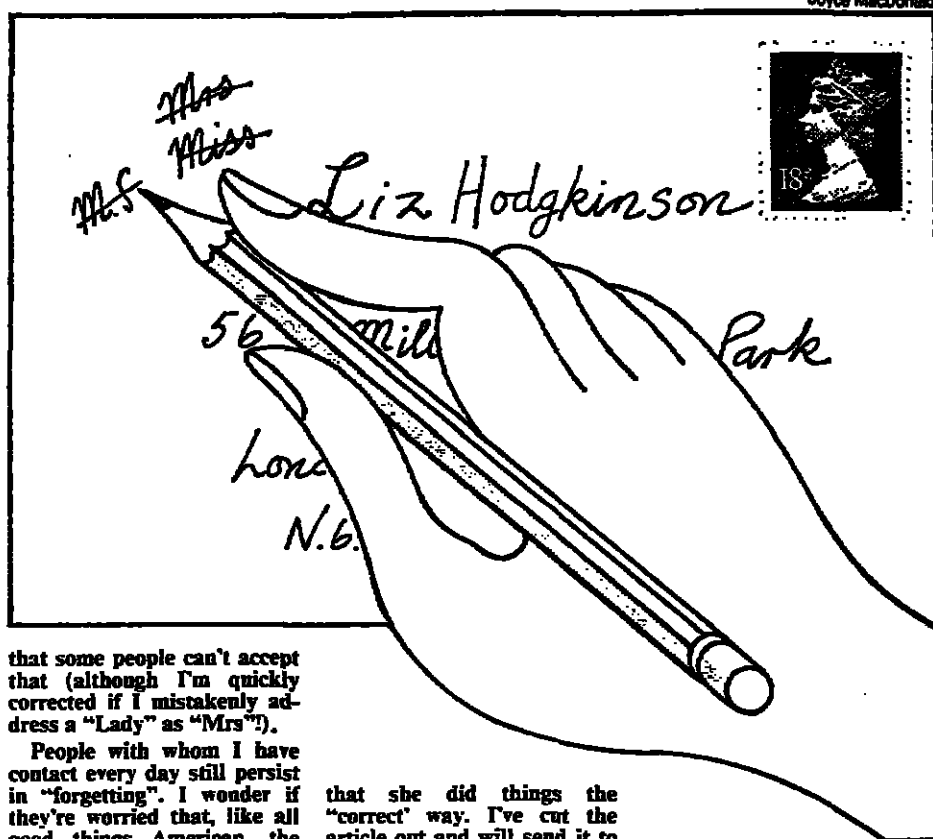
What, after all, is in a name? A rose by any other would smell as sweet, but it often carries more clout if it has a Cuthbert, or a Horace or the like sandwiched somewhere in the middle. Unfair, perhaps? Well, that's life.

From Bonnie G Bird (Mrs), Bramshott Chase, Hindehead, Surrey

I admire Liz Hodgkinson for wishing to express her individuality by refusing to be called by her husband's first name, but I'm afraid she concedes the point by adopting her husband's surname.

I'm an American lawyer married to an English barrister and did not, of course, take his name upon marriage. This is neither a reflection of screaming militancy on my part nor a lack of love and respect for him; it is a confirmation of a widely held belief that I am an individual, and do not need to submerge my identity by becoming an appendage of someone else.

I still find people who insist on addressing me as "Mrs" even after my husband and I sent around cards explaining the situation. I, like Ms Hodgkinson, find the title "Mrs" extremely offensive. I prefer "Ms", but I understand



that some people can't accept that (although I'm quickly corrected if I mistakenly address a "Lady" as "Mrs").

People with whom I have contact every day still persist in "forgetting". I wonder if they're worried that, like all good things American, the practice might spread over here and all those obedient little "Mrs-es" taking their identity from their Lords and Masters might stage a revolt and attempt to become their own person?

From Mrs Mark Robinson, Trullwell, Nr Stroud, Gloucestershire

I find many people have been so browbeaten by fiery women that they address me as "Mrs Liz Robinson" — which causes me a small recoil of distaste whenever I see it.

I cannot — or will not — argue with the logic, merely wonder where it leaves titled women. My mother finds most people solve the problem by upping her in rank from the mere widow of a peer's younger son ("Lady George") to the daughter of a peer ("Lady Jane").

From Susie Gates (Mrs), Ainsworth Hall Road, Lancashire

I took my husband's second name with love and pride, but I do not recollect undergoing a sex change when I got married — I was still called Susie and he Bill, and when any of my friends wrote to me as "Mrs W. Gates" I asked them, politely, not to do so. They always obliged — apart from my sister-in-law, who called me "cheeky" and pointed out

that she did things the "correct" way. I've cut the article out and will send it to her in my next letter. I expect fireworks!

From Mrs Frank Sangwin, Pitton, Nr Salisbury, Wiltshire

Is Liz Hodgkinson young and fairly newly married, going through a rebellious phase?

Ten years or so ago, fairly newly married, I felt the same as her — I think I know better now. There are far worthier causes for this troubled world to fight for, and maybe one of them is a happy, contented husband in a healthy, secure marriage.

From Mr W J Kiernan, Shadoxhurst, Ashford, Kent

In a part of the British Isles married women do not take their husbands' names, at all, at all. In Irish, Mary Kelly remains Mary Kelly (Maire Ni Cheallaigh) after she marries. If her married status has to be specified for some reason she is known as "wife of", say, James MacDonnell (Sean Sheamais Mhic Dhiarmada).

Liz Hodgkinson's own name describes her as a son of Hodgkin. Maybe Anglo-Saxon once avoided this illogicality, as it seems Icelandic still does — a female Magnusson is impossible, she would be Magnussdottir.

However, it supports the argument that English uses the masculine version for many surnames, happily dis-

regarding the gender of half the population. Imagine what a man would say about being called Johnsdottir instead of Johnson!

From P Everard, Whitwell, Ventnor, Isle of Wight

All my life, I have wished that women could keep their own name on marriage, though it should be linked to their husband's. Take, for example, a mythical Jane Mortimer, marrying a mythical John Smith. She would become Jane Mortimer Smith.

But it should go further. When Jane Mortimer Smith's daughter — Elizabeth Mortimer Smith — marries a Henry Allen, she would become Elizabeth Mortimer Allen, thus carrying the name of the female line through the distaff generations.

Sons would keep their father's name, as at present, and so would unmarried daughters, in that they would carry the names of both parents. This would help preserve surnames in danger of extinction and would give women an interest in their own family line.

From Mrs E K Brandenburger, Arden Road, London N3

At an investiture a married woman is announced to the Queen as "Mary, Mrs Smith".

## Skirting fashion

For the past 10 days I have been cutting out the fashion pages of the newspapers with a sort of horrid fascination. I think the worst moment came when the American magazine, *W*, told me that "Paris is enchanted again", which is code-speak meaning trouble for anyone over 15. The key to what lies ahead came in a *W* article called "The Frisky Romantics". In fashion-speak, the meaning of frisky is most clearly understood if you leave off the first letter.

Fashion goes in cycles, but it seems that we have just hit a U-turn. I sensed problems about two years ago, when I first saw the puffball skirts and crinolines designed by Christian Lacroix for the couture house of Jean Patou. Puffball skirts are marvellous on dandelions and ostriches, but they don't have to wear coats over them. Now M Lacroix has his own collection and is described as the



BARBARA AMIEL

everyone stood up and applauded. I thought that perhaps they were all weeping out of relief that one more designer had survived another year without succumbing to some deadly viral disease, but no, it turns out that they were profoundly moved.

This year I had a little weep myself, when I saw what my favourite designers had in store for us. "My sentiment is baroque and entirely extroverted," confessed Emmanuel Ungaro, who said he "must follow my obsession". His obsessions turned out to be legs, which are pretty much the obsession of all the other designers who this season have given us back the miniskirt and the micro-mini.

I have lately taken to making nocturnal trips to my wardrobe mirror, where I stand and tense my thighs. "What are you doing?" asked my sister when she caught me in *media res*. "I'm working on my knees," I replied, quite sensibly.

All sorts of things sag as we get older, but I never realised, until a frank session with an exercise lady some time ago, how much my knees have sagged. "Look at those knees," she said. "Tense them, relax, tense, relax." At the time I was concentrating any spare minutes I had on softening up cuticles, which takes up a quarter of an hour with something called apricot cream from Christian Dior and is a very messy business. I chose to ignore the exercise lady's fears, and simply for-

got about it all — until this fashion season. Then I called up a plastic surgeon I know and asked him if there was a quick way round the knee problem.

"When you have those little fat pads above the knees," Dr Lloyd Carlsen explained, "you can have a suction lipectomy, which we do from behind the knee so there are no scars." He sounded quite happy about it. So was I, until I remembered that I wasn't fat, even above the knee.

"Ah," he said reflectively. "Then you have that wrinkly skin that slips down over the knee with age." That seemed a more serious problem and could only be solved by surgery that apparently leaves a wide scar. "Sometimes," Dr Carlsen warned, "it's a tough scar."

Fashion has always been my weak spot. Naturally, I see it in a philosophical light, as a pursuit in which the less

## Puffball skirts are marvellous on dandelions and ostriches

"locomotive" behind the new couture spirit.

I have never actually attended a haute couture collection, but I was invited to the last-but-one Yves Saint Laurent showing. Apparently everyone sits on little gift chairs and waits for the most glamorous person, who is always late, to arrive. That year they were all kept waiting for Princess Caroline. It was fortunate that I wasn't there, because while I wouldn't mind waiting for, say, author Nien Cheng or singer Beverly Sills, I do draw the line somewhere, and I think it may be directly at Princess Caroline.

At the end of a couture show, everyone usually weeps. Paloma Picasso always weeps after an Yves Saint Laurent show and then she embraces him. Last year the French minister of culture attended, and he wept and embraced Saint Laurent. Then all the models wept and

## The number of sexual harassment charges is rising — as are hemlines

intellectually gifted can enjoy creating a style uniquely theirs. I think it is not a coincidence that totalitarian societies frown on the individualism of fashion and, taking a leaf out of the 14th century Sumptuary Laws, repress the decorations of medals, ribbons, and better-cut uniforms for the ruling classes. Each year I explain this connection between my clothing bills and the defence of the free society to the Inland Revenue, but with little success.

Putting this aside, I must confess that I don't really think there is much connection between fashion and the social temper of the times. Of course, the number of sexual harassment charges is rising — as are hemlines — and there may be something to ponder there, but I intend to do it in my new body-hugging frisky outfits. Most of us cave in after a season or two. We might as well do it now.

## The bunny bites back

If playboys are dead, why is the Playboy empire staging a comeback?

Christie Hefner, the 34-year-old daughter of *Playboy's* founder, Hugh, is not a woman to be thwarted. She has her father's determined chin and staunch belief that the multi-million dollar empire she inherited will continue to survive and thrive.

Last summer, the August cover of *Newsweek* declared: "Playboy — The Party's Over". It seemed a valid comment. Newsstand sales of the magazine were plummeting by hundreds of thousands as sales outlets, influenced by the American government's anti-pornography commission, refused to handle the magazine. Playboy Clubs were closing everywhere and a casino project in Atlantic City was in tatters.

A year later, *Playboy's* September cover is a defiant rebuttal — "The Women of 007" celebrates three decades of the ultimate playboy, James Bond.

The preppy Miss Hefner, sitting in her Manhattan marketing office among the smart, mostly female, staff who are building the company's quality image, rationalizes the impact of current moral fervour in the United States.

"The vocal minority may call itself the Moral Majority, but it doesn't represent a majority of people's attitudes in this country and it hasn't for three decades," she says. "Ronald Reagan, the most popular president we've had for a long time, has been unable to implement any of the social agenda of the new Right, whether it be criminalizing abortion or imposing school prayer."

Or even influencing his son, it seems. Ron Reagan Jr's name appears prominently on the masthead as a contributing editor — a masterly PR coup.

Miss Hefner's *Playboy* philosophy for a new era is appropriately calculated and businesslike, in sharp contrast to her father's preached and practised hedonism which brought prominence and peak magazine sales of more than six million in the early Seventies. Hugh Hefner, ensconced



in his California mansion since his stroke two years ago, his all-black jet, Big Bunny, with its elliptical bed now long sold-off, is, by all accounts, positively excited by today's "sexual McCarthyism". It is rampant again, as it was when he sired his brainchild in the early Fifties. Now, content with laying out the centrefolds, he seems happy that his little girl, who was born with his project, lost to divorce, and regained in her twenties, is at the helm — a declared feminist, parrying the anti-pornographers and effectively handling the business side.

Since becoming chief executive in 1982 and subsequently president, Miss Hefner has streamlined Playboy Enterprises. She has topped off its unprofitable Bunny Clubs (only three franchises remain in America), shed its loss-makers, and taken control of its cable

television and video interests. She has launched new, franchised clubs with a business orientation in Japan, and plans a new one for Seoul, South Korea. On the home-front, she is pursuing the licensed product market — clothes, glasses, watches, jewelry, even a golf putter — indelibly stamped with that Bunny which, after Coca Cola, is perhaps the most recognizable symbol in the world.

The Playboy organization's home videos, which Miss Hefner plans to expand into Britain and Europe next year, are not purely male-orientated. "We do a video version of the magazine. We are capitalizing on the trend that women are more comfortable in exposing their interest in eroticism. You see that in viewing patterns on the Playboy Channel, where, to our surprise, 60 per cent of viewers are couples watching it together; this led us to produce

programmes with that in mind and now to create original video cassettes.

"We've done one called *The Art of Sensual Massage*, and one called *Fantasies*, which is a series of vignettes featuring couples. In its own way, it's part of the success of the Playmate brand. It's women saying 'I want to identify with something that's sexy and fun'."

The magazine remains, as its banner proclaims, "Entertainment For Men" — with articles on property, personal finance, gadgets, fashion and sports — coloured, of course, by those distinctive nudes, now "tasteful and more relevant", Miss Hefner says.

I might seem a thoroughly schizophrenic product to those who believe that sex and prize-winning journalism are necessarily poles apart. Miss Hefner does not. "You don't have to choose between intellectual interests and sexual interests as a full human being," she says.

Besides which, she maintains, sexual schizophrenia is endemic in America. "We pretend that we are a very prudish and uptight country, but we're fascinated with being sexual. You see that in the Gary Hart scandal — that obsessive news coverage, despite the fact that it is well-known that all our great presidents had relationships with women other than their wives."

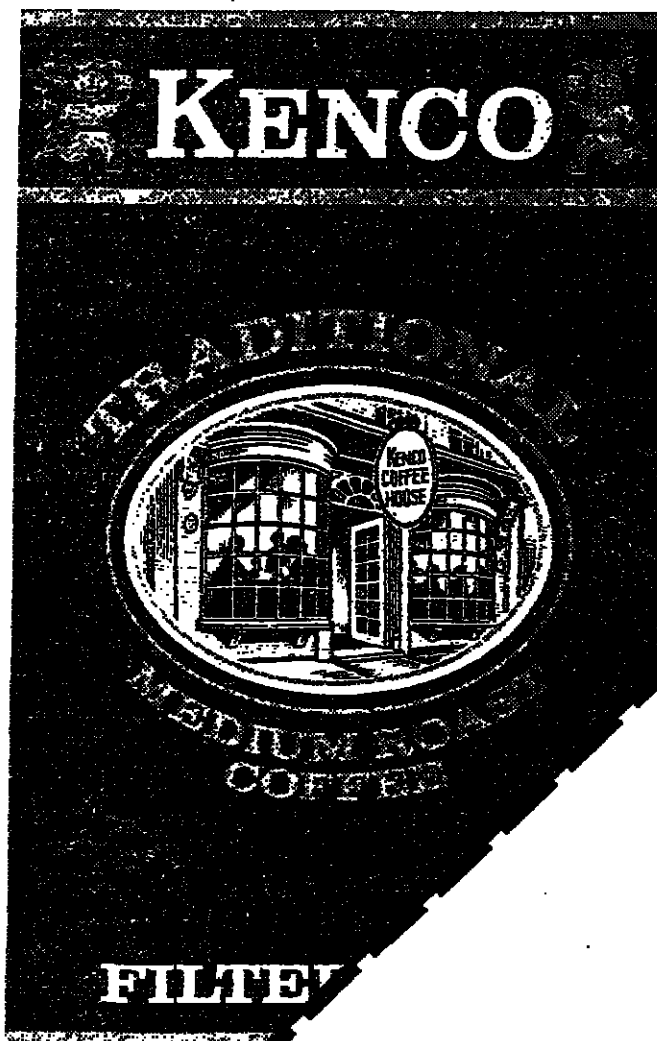
Miss Hefner evidently feels confident that *Playboy* is back on track. She says that the magazine's circulation is 3.5 million, plus 1.6 million foreign edition sales, and she is banking on increased subscriptions.

She is certainly not about to denude her product to suit moral tastes and risk losing a substantial audience. *Playboy* is still finding its market, among well-heeled readers in their thirties who, "psychographically — because that is more important than demographics — want to get the best out of life."

Rachel Warren

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## TELEVISION AND RADIO

Compiled by Peter Dear  
and Peter Davalle

## BBC1

- 6.00 **Cartoon AM**.  
6.00 **Edgar Kennedy in Clockwise** (b/w) 6.55 **Weather**.  
7.00 **Breakfast Time** includes national and international news at 7.00, 7.30, 8.00 and 8.30 regional news and travel reports at 7.15, 7.45 and 8.15.  
8.25 **The Pink Panther Show**.  
Cartoons (r). 8.55 **Regional news** and weather.  
9.00 **News and weather** 9.05 **Children's BBC Magazine** programme presented by Stephen Mayer beginning with a Boats Cat cartoon (r) and including at 9.30 **Why Don't You...?** The guests include a BMX World Champion and the winners of the Help the Aged competition (r).  
9.30 **News and weather** 10.05 **Neighbours** (r). 10.25 **Play School** (r).  
10.30 **Cricket Fifth Test**. The morning session of the second day's play in the match at the Oval between England and Pakistan, introduced by Tony Lewis. Includes news and weather at 10.55 and 12.00, 12.55 **Regional news and weather**.  
1.00 **One O'Clock News** with Philip Hayton. 1.25 **Neighbours**. Both Luree Shane and her wife call and locks the door from the outside.  
1.45 **Cricket Fifth Test**. Live action from the second afternoon's play.  
4.10 **Heathcliff and Marmaduke**. Cartoon series 4.30 **Record Breakers**. A programme of young record attempts to jump 20 juggernauts on a motorbike (r).  
4.55 **John Craven's Newsround** 5.05 **Cartoon**. Outdoor adventures of a young man with a pet bear. Starring Dennis Weaver, Clint Howard and, in this episode, Burt Reynolds (r).  
5.35 **Reeltime** - The Series. With Curly Howard. The Cat.

## BBC2

- 6.59 **Open University: II Tempio** Malatestiano. Ends at 7.20.  
8.00 **Cricket: Fifth Test**. The opening overs of the second afternoon's play at the Oval.  
1.45 **Reeltime**. A preview of a series beginning tonight. 1.55 **Cartoon**.  
3.00 **News and weather** followed by **Wild World**. Dr Hans Kruuk investigates why caribou and reindeer choose to live in groups (r).  
3.35 **Flower of the Month**. Roses (r).  
4.00 **News and weather**.  
4.10 **Cricket Fifth Test**. The second afternoon's play at the Oval.  
6.10 **Play Tarzan and the Trappers** (1958, b/w) starring Gordon Scott and Eve Brent. The jungle hero's life is endangered by a group of big-game hunters who want to add Tarzan to their trophy list. Directed by Charles Hask and Sandy Howard.  
7.20 **Transit**. This first of a new series includes a report from Crows on the changing face of ocean racing; and live action from Duxford Airfield in Devon where a team of Royal Marines

- attempt to break the world parachute stacking record.  
8.00 **Face the Music**. A Vintage 1979 edition of the music quiz presented by Joseph Cooper. On the panel are Joyce Grenfell, Robin Ray and Paul Jennings; the host is Gerald Moore (r).  
8.30 **Gardeners' World** visits the 27x7 yards Oxford garden of Mrs Anne Dexter.  
9.00 **City Lights**. Episode three and Willie is persuaded to write an erotic story for a girl.  
9.30 **The RKO Story** - Tales from Hollywood. (see Choice)  
10.30 **News and weather**.  
11.25 **Cricket Fifth Test**. Highlights of the second day's play.  
11.55 **Play: The Narrow Margin** (1952, b/w) starring Charles McGraw and Maria Windsor. Thriller. From the best of the B season, set on a Los Angeles-bound train, about the widow of a murdered gangster being escorted by a detective to give evidence before a grand jury. Also on board and unseen fired to silence the lady. Directed by Richard Fleischer. Ends at 1.10.

## ITV/LONDON

- 6.00 **TV-am** introduced by Caroline Righton and Mike Morris. News at 6.00 and 6.30 weather at 6.25 and 6.55 financial news at 6.35 sport 6.40 and 6.55 exercises at 6.55.  
7.00 **Good Morning Britain**. News at 7.00, 7.30, 8.00 and 8.30; cartoon at 7.25; sport at 7.40; pop music at 7.55 and Jimmy Greaves's television highlights.  
8.35 **Wecadey** presented by Timmy Mallett and Michaela Strachan.  
9.25 **Thames news headlines**.  
9.30 **Stargay** (r) 10.00 **Jack Holcomb**. The *Charming Molly* and *The Esperance* have been wrecked on the same shore (r).  
10.30 **University Challenge**. The week's two winners meet for a place in the quarter-finals. Presented by Bamber Gascoigne.  
11.00 **Pat Tulip** (r) 11.10 **Pat Tulip**. The hare and the tortoise is acted out.  
11.25 **Thames news headlines** 11.30 **Jobwatch**. An update of Sunday's programme about the Open College. 12.00 **Wider Takes All**. General knowledge quiz presented by Geoffrey Wheeler.  
12.30 **News with John Suchet** 12.50 **Thames news**.  
1.00 **Film: Sea Fury** (1958, b/w) starring Stanley Baker and Victor McLaglen. Maritime adventure about the rivalry between two tug crews salvaging wrecks off the coast of Spain. Directed by C. F. Baker. Ends at 1.15.  
3.00 **Take the High Road**. Nicky is arrested 3.25 **Thames news headlines** 3.30 **Sons and Daughters**. Australian family drama serial.  
4.00 **Rainbow**. A repeat of the programme shown at 11.10. 4.15 **Sign a Story**. The tale of Molly Whuppie and a young hearing impaired. 4.25 **Andrew O'Connor's** young Machine 4.35 **Inspector Gadget**. Cartoon series.

## CHANNEL 4

- 2.30 **Six Centuries of Venice**. Works by John Donne, George Herbert and Andrew Marvell (r).  
3.00 **Time to Remember** (b/w). 1927, when the days of speed were beginning. Narrated by Roger Livesey (r).  
3.30 **Alaska**. A profile of the phenomenally successful Indian singer Asha Bhosle (r).  
4.30 **Countdown**. Yesterday's winner is challenged by Letsy from London. 5.00 **International Affairs**. The second day of the European Junior Championships.  
5.45 **Solid Solo**. Tonight's guest is Jody Watley, Tashan and David Gray.  
6.15 **The Chart Show**.  
7.00 **Channel 4 News** with Peter Sissons and Nicholas Owen.  
7.50 **Choice**. David Pryce-Jones, the novelist and biographer reviews *If This is a Man* and *The Truce*, two memoirs of Auschwitz published in one volume by Primo Levi. (Oracle)  
8.00 **What the Fish**. A story by Charles Moore, editor of the *Spectator*.

## Descent into madness

## TELEVISION CHOICE

● If the final instalment of *The RKO Story* (BBC2, 9.30pm) has more to say about Jane Russell's cleavage than the art of the cinema, that is how it was as the studio moved into its final years under the megalomania of Howard Hughes. As soon as he bought RKO in 1948, Hughes insisted on changing the endings of all pictures then in production. His manipulation of his actresses was blatant and shameful. Jane Greer, who had the temerity to tell Hughes that she was a happy wife and mother, was dropped from the screen (though not from the payroll) and Joan Fontaine spent 10 years rebuffing Hughes's proposals of marriage. We hear from Jane Russell herself about the famous bra Hughes had made for her, and which, it seems, she refused to wear, and from Hughes's poster artist how he was ordered to draw in another inch of Russell décolletage. Poor Jean

Jane Russell, adopting her notorious publicity pose for *The Outlaw: The RKO Story* (on BBC2, 9.30pm)

Simmons, who was virtually sold overnight to Hughes by J. Arthur Rank, found herself in a succession of dreadful films which almost (in her phrase) flushed her career down the toilet. Stewart Granger (then Simmons's husband) even devised a plan for murdering Hughes by getting him drunk and pushing him off a high balcony. But he almost wished he had done it. But

Peter Waymark

## Radio 1

MF (medium wave). Stereo on VHF (see below).  
News on the half-hour from 6.30am until 6.20pm, then at 10.00 and 12.00 midnight.  
5.30 **Adrian John** 7.00 **Mike Smith's Breakfast Show** 9.30 **Steve Wright** 11.00 **The Radio 1 Roadshow** (from Great Yarmouth) 12.30 **Newsbeat** (Frank Partington) 12.45 **Gary Davies** 3.00 **Simon Bates** 5.30 **John Peel** 5.45 **Singled Out** 7.00 **Andy Peebles** 10.00-12.00 **The Friday Rock Show** (Tommy Vance).  
VHF Stereo Radio 1, 97.3 MHz. 4.00am As Radio 2 10.00pm As Radio 2

## Radio 2

MF (medium wave). Stereo on VHF (see below).  
Cricket Scoreboard 7.30pm. 4.00am **Colin Barry** 5.30 **Ray Moore** (from Isle of Wight) 7.30 **Jameson** 9.30 **Bob Holness** 11.00 **Jimmy Young** 1.05pm **David Jacobs** 2.05 **Alan Titchmarsh** 3.30 **Adrian Love** 5.05 **Johnnie Walker** 7.00 **Roy Jeffries** (East London childhood) 7.30 **Friday Night is Music** 9.30 **The Organist Entertains** 10.00 **Serenade** 10.30 **The Grumbleweeds** 11.00 **Anna Rippon** 11.00am **Bill Rennells** 3.00-4.00 **A Little Night Music**

## WORLD SERVICE

All times GMT. Add an hour for BST.  
6.00 **Newsday** 6.30 **Mendham** 7.00 **News** 7.30 **24 Hours** 7.30 **Wine On** 7.45 **Meridian News Programme** 8.00 **News** 8.05 **Reflections** 8.15 **Musical Times** 8.30 **News** 8.35 **World Today** 9.30 **Financial News** 9.45 **Coming Home** 10.00 **News** 10.05 **News** 10.10 **News** 10.15 **News** 10.20 **News** 10.25 **News** 10.30 **News** 10.35 **News** 10.40 **News** 10.45 **News** 10.50 **News** 10.55 **News** 11.00 **News** 11.05 **News** 11.10 **News** 11.15 **News** 11.20 **News** 11.25 **News** 11.30 **News** 11.35 **News** 11.40 **News** 11.45 **News** 11.50 **News** 11.55 **News** 12.00 **News** 12.05 **News** 12.10 **News** 12.15 **News** 12.20 **News** 12.25 **News** 12.30 **News** 12.35 **News** 12.40 **News** 12.45 **News** 12.50 **News** 12.55 **News** 1.00 **News** 1.05 **News** 1.10 **News** 1.15 **News** 1.20 **News** 1.25 **News** 1.30 **News** 1.35 **News** 1.40 **News** 1.45 **News** 1.50 **News** 1.55 **News** 2.00 **News** 2.05 **News** 2.10 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Executive Editor  
Kenneth Fleet

STOCK MARKET

FT 30 Share  
1754.1 (-42.5)  
FT-SE 100  
2261.4 (-56.0)  
Bargains  
48611 (41924)

USM (Datastream)  
209.68 (-2.04)

THE POUND

US dollar  
1.5755 (-0.0015)  
W German mark  
2.9651 (+0.0027)  
Trade-weighted  
72.1 (same)

Forecast  
beaten  
by Dale

Dale Electric International, which fought off a £16.8 million takeover bid from Sunlight Electronics this summer, reports profits of £1.1 million for the year to May 3, compared with the £1.07 million indicated during the battle. In the previous year, Dale made a loss of £96,000.

Mr Iain Dale, the chairman, is recommending a final dividend of 2p a share, making 3.5p against 3p last time.

Mr Dale says the group took record orders during the year, which will contribute to profits in the current year.

Hickson rises

Hickson International, the chemical, timber protection and merchant distributor group, lifted pretax profits from £6.99 million to £8.72 million in the six months ended June.

The interim dividend rises from 5.3p to 6.5p a share. A share sub-division and a two-for-one capitalization issue are planned.

Goal purchase

Goal Petroleum is buying Transworld Petroleum (UK), which holds UK petroleum licences, for £30 million in shares.

The 33.33 million shares will be offered to existing Goal shareholders at 90p each.

Ealing down

Ealing Electro-Optics revealed that its interim pretax profits fell 34 per cent to £449,000 on turnover up 13 per cent to £4.2 million. A 0.7p interim dividend was declared.

SUMMARY

STOCK MARKETS

New York	Dow Jones	2572.54 (+5.89)
Tokyo	Nikkei Dow	24658.23 (+361.08)
Hong Kong	Hang Seng	3497.95 (+19.18)
Amsterdam	Gen	327.5 (+3.0)
Sydney	AO	2063.4 (-4.7)
Frankfurt	Commerzbank	2033.2 (+21.2)
Brussels	General	5214.8 (+15.4)
Paris	CAC	4103.5 (+3.3)
Zurich	SWX Gen	591.00 (+8.4)
London	FT 100	2261.4 (-56.0)
FT 30		1754.1 (-42.5)

MAIN PRICE CHANGES

RISES:	
Press Tools	445p (+2050)
Airflow	301p (+200)
Ault & Wiborg	410p (+200)
Mercantile House	555p (+250)
Creighton	270p (+400)
Technical Bus	175p (+250)

FALLS:

Oilseed Group	720p (-680)
Costain Group	355p (-260)
T Cowie	890p (-350)
Lookers	410p (-300)
Woodworth	845p (-250)
Glaxo	1692p (-330)
ICI	1502p (-350)
Channel Tunnel	1472p (-300)
Shell	850p (-260)
Blue Arrow	850p (-260)
WPP Group	820p (-450)
General Accident	985p (-400)
Consolidated	1385p (-350)
RTZ	1280p (-730)

INTEREST RATES

London Bank Base	10%
3-month interbank	10 1/4%
3-month eligible bills	9 1/4%
buying rate	
US Prime Rate	8 1/4%
Federal Funds	9 1/4%
3-month Treasury Bills	5 7/8-5 7/2%
30-year bonds	9 7/8-9 7/4%

CURRENCIES

London:	New York:
£ \$1.5755	£ \$1.5755
£ DM2.9651	£ DM1.8830
£ Sfr2.4001	£ Sfr1.5620
£ FFfr.8853	£ FFfr.2750
£ Yen238.53	£ Yen151.40
£ Index:72.1	£ Index:104.5
ECU £0.69384	SDR £0.75671

GOLD

London Fixing:	
AM \$468.85 pm \$468.70	
close \$468.75-469.25 (\$297.25-297.75)	
New York:	
Comex \$469.25-469.75	

NORTH SEA OIL

Brent (Sept) pm \$19.85bbl (\$19.77)	
Denotes latest trading price	

Bus Summary:

20	22
Stock Market	Foreign Exch
Tempus	Unit Trns
Co News	Commodities
Compass	1531 Prices
City Diary	Share Prices
Wall Street	Traded Optis

Worry over higher inflation and overheating

Bank defends rise in interest rates

By Richard Thomson  
Banking Correspondent

Fear of rising inflation and an overheating economy prompted the Bank of England to push up bank base rates by one percentage point yesterday in a surprise move that left financial markets reeling.

The Bank of England signalled the interest rate rise yesterday morning by raising its own intervention rates by a percentage point to 9 1/2 per cent. Within hours the big four clearing banks had raised their base lending rates from 9 per cent to 10 per cent.

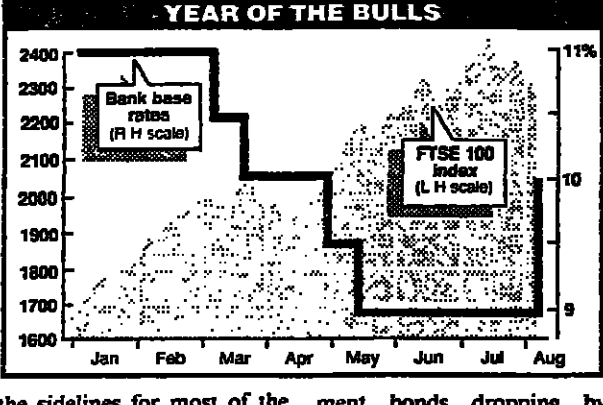
The Bank said the rate rise was required because of domestic monetary conditions. Both the Treasury and the Bank have been warning the markets for several weeks that bank lending and imports have been growing too fast and might have to be reined back.

The move was also prompted by the weakness of the pound on international currency markets. Bank officials added. Sterling has dropped more than 1 cent against a strong dollar this week but showed little reaction to the interest rate rise, remaining on the sidelines for most of the day.

Its trade-weighted index, measured against a basket of currencies, closed unchanged from the previous day at 72.1, while sterling lost 0.2 of a cent against the dollar to close at \$1.5755 in London. It rose slightly against the mark to DM2.9651 from an opening of DM2.9624.

The stock market rapidly dived, notching up record one-day falls on both the FT-SE 100 index and the FT-30 share index during hectic trading.

The gilt-edged market also fell sharply, with most government bonds dropping by around 2.5 points after starting the day on a firm note. The FT gilt index dropped 1.28 points to 86.42 as gilt yields tested the 10 per cent level.



The interest rate move caused controversy in the City where many analysts questioned the Bank's move. Mr Malcolm Roberts, economist for Salomon Brothers International, said: "I think the rise is unnecessary on monetary grounds. There is no overwhelming evidence that domestic monetary conditions require it. On the other hand, if next week's trade figures are bad, then perhaps

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the Bank has felt it necessary to protect the pound with a pre-emptive interest rate rise.

The market is expecting next week's trade figures for June to show a substantial current account deficit for the second month in succession of around £200 million.

However, Mr Gavyn Davies, chief UK economist for Goldman Sachs, said: "I think the Government will get credit from the markets for doing this, because after the initial drop people will conclude that the Government is determined to keep the pound within its present range and possibly let it rise a little."

Dealers said that so far the fall in the stock market was a correction to share prices that had become too expensive. They did not believe this was the start of a market collapse.

But dealers warned that although most of the price falls were the result of professional trading between market-makers, the market could fall considerably further if institutional shareholders began selling shares in large quantities.

Stock market, page 20  
Comment, page 21

Exchange had to alert traders that prices on the screen were "indicative" because quoted prices were running up to a minute late. In normal conditions, prices should be listed in seconds.

That meant market-makers had to resort to direct telephone contact to establish correct price levels, before SEAQ could be fully relied upon again.

The market picked up from its worst levels at the close, but fears about next week's trade figures has left many very nervous about market movements in the next 48 hours.

Mr Cramer - who claims his private companies now make "millions rather than hundreds of thousands of profit" - is tackling not just a small Welsh brewer with 151

public houses but also the Whitbread empire. He has launched his bid holding a near 30 per cent stake mainly acquired from the Bestwood group. But Whitbread Investment Company has 27 per cent and has a reputation for backing existing boards.

He said that the brewery had lost its way - borrowings had risen, profits had fallen along with the number of public houses run by the brewery, and the directors seemed happier to see the share price go down rather than up.

But last night Buckley's, which has turned down the 175p a share cash offer from Mr Cramer and his partner Mr Peter Clowes, dismissed the arguments put forward in the offer document, published yesterday, as "highly misleading."

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Guy Cramer: his companies 'are making profits in millions'

Youthful scorn for Buckley's board

By Cliff Feltham

Mr Guy Cramer, aged 26, who sold crockery on Leeds market before turning to high finance, yesterday launched a strong attack on the management of the Welsh brewery Buckley's, which he is trying to take over for £26 million.

He said that the brewery had lost its way - borrowings had risen, profits had fallen along with the number of public houses run by the brewery, and the directors seemed happier to see the share price go down rather than up.

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Unilever wins seeds group

By John Young  
Agriculture Correspondent

The multinational Unilever group is to become the new owner of the National Seed Development Organization and part of the Plant Breeding Institute from September 30. The agreed price is £66 million.

Plans to privatize the two hitherto government-funded research institutes were put forward last May, and last month the Ministry of Agriculture and the Department of Education and Science disclosed that competitive tenders were being sought from a short list of three companies: Unilever, ICI and Booker.

The National Farmers' Union opposed the sale, but now appears to have accepted the Government's determination that industry should assume an increasing share of research costs and responsibilities.

The union said yesterday that it had already received assurances from Unilever that the interests of British farmers and growers would be protected.

Mr Kenneth Baker, Secretary of State for Education and Science, said yesterday that he and Mr John MacGregor, Minister of Agriculture, had decided the Unilever bid was best on commercial, agricultural and scientific grounds.

Officials declined to disclose details of the rival bids. Mr Baker described the deal as a very satisfactory outcome which marked a significant success for the Government's privatization strategy. Unilever recognized that the two organizations represented a unique national resource, and had undertaken to maintain and promote their potential to the best advantage of British agriculture and horticulture.

Mr Baker said: "Under its new management the business, which will continue to be based at Cambridge, will be expanded and developed to become Unilever's main centre for plant science and breeding, and is intended to remain one of the key world centres of excellence in these fields."

Trading profits from specialized engineering advanced from £7.6 million to £11 million and enjoyed a 1.5 per cent boost to margins which rose from 6.5 per cent to 8 per cent.

Tempus, page 20

TI Group profit up 39% at £25.1m

By Alexandra Jackson

The City endorsed the new strategy at TI Group, the fast-changing engineering company, yesterday by marking its shares up 4p to 380p against the market trend. This followed the announcement of interim pretax profits in line with expectations up 39 per cent at £25.1 million. A dividend of 3.5p was declared for the half-year to end-June.

Mr Christopher Lewinton,

group chief executive, has identified 1987 as a year of transition. The strategic plan for the restructuring of the group, announced in March, is already under way.

In the half-year, the troubled Raleigh cycles business was sold, eliminating half-year losses of £1.9 million, as were the domestic appliance businesses Glow-worm, Parkray, Creta and New World, which contributed £5.3 million to

interim profits. Of the £220 million proceeds of the domestic appliances sale, £144 million will be treated as an extraordinary profit over book value.

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Tempus, page 20

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## BUSINESS SUMMARY

## Blue Arrow acquires Quorn jobs agency

The Blue Arrow employment agency group followed its £767 million takeover bid earlier this week for the US group Manpower with the acquisition yesterday for £530,000 cash of Quorn Management Services, a Leicester recruitment consultancy.

Last year the business made pretax profits of £84,000 on turnover of £721,000. The company specializes in search and selection assignments as well as providing temporary staff. Mr Anthony Berry, the Blue Arrow chairman, said the acquisition would complement its Hoggett Bowers subsidiary.

## Cannon St up to £4m

Cannon Street Investments, the fast-growing industrial holding company, raised pretax profits from £675,000 to just above £4 million in the first half of the year. Turnover more than doubled to £31 million. The company has made more than 20 acquisitions since it returned to the stock market in 1985, having been a casualty of the fringe banking crisis of 1974.

## £15.8m deal for Abaco

Abaco Investments has conditionally agreed to buy Cayzer Steel Bowater Holdings, the Lloyd's broker, for £15.8 million. Abaco will also purchase £4 million of 15.75 per cent and 16 per cent loan stock of CSB for £4.7 million. British & Commonwealth will receive 11 million shares at 89.5p each for its half-share in CSB, giving it 29.82 per cent of Abaco.

## Nissan Europe plan

Nissan Motor, Japan's second largest motor manufacturer, is to set up three financial subsidiaries in Europe starting this year. The first will be Nissan Motor Acceptance (Netherlands) based in Amsterdam, which will provide consumer car loans and other financing to Nissan customers and dealers. The wholly-owned subsidiary will begin operations after it receives a licence from the Netherlands government in December.

The second will be Nissan International Finance (Europe), based in London, and will issue commercial paper to investors. The third will be another Amsterdam subsidiary, Nissan International Finance (Netherlands) whose activities will be similar to the London operation.

## £145,000 buy for Hodgson

Hodgson Holdings, the acquisitive funeral group chaired by Mr Howard Hodgson, right, is buying R Cirket & Sons, the Bedford-based company, for £145,000. This will add business of another 165 funerals a year to the group. Hodgson says further negotiations are likely to lead to more takeovers. Its shares rose 3p to 261p yesterday.



## Lasmo oil venture

Hadbay Oil (Malacca Strait), jointly owned by London & Scottish Marine Oil and British Petroleum, has submitted a development plan for a new Indonesian offshore oilfield. Lasmo said that under the plan submitted to the Indonesian Government for approval, Hadbay intends to drill 16 wells in the offshore Karan field in the Malacca Strait area. The first oil production is forecast for the end of 1988, with a peak output target of 50,000 barrels a day in 1989.

## Surprise bank rate increase sends share prices reeling

By Our City Staff

The shock one-point rise in bank base rates sent gilts and shares reeling in stock markets yesterday.

At one stage, the FT-SE 100 share index was showing a record fall of more than 70 points before a technical recovery trimmed the loss to 56.0 points to close at 2,261.4. The previous biggest decline was 46.1 on March 30. The FT 30 share index closed down 42.5 at 1,754.1.

Earlier, the session had begun cheerfully helped by Wall Street and reports that tension was easing in the Gulf in spite of Iran's decision to extend military manoeuvres by another day.

However, the mood turned sour at midday as the Bank of England signalled the rate increases and between noon and 1 pm more than £7 billion was wiped off share values as the index dropped more than 40 points in 60 minutes.

Most of the decline stemmed from market-makers taking swift evasive action but this failed to curb the selling pressure particularly among those short-term speculators who had taken up positions for the next account earlier in the day.

Although money market sources were suggesting that an interest-rate increase was long overdue, dealers were concerned that the Government had already caught sight of the next set of trade figures and bank lending and money aggregates, and taken appropriate defensive action. The Iranian pronouncements were forgotten as investors took flight from the new situation.

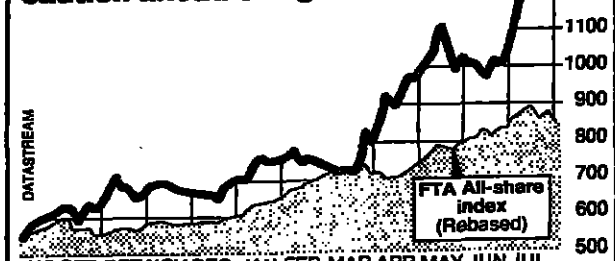
Gilts plummeted about 2.5 points. Worst casualties among tax equities occurred in the building, property and consumer shares where falls of between 15p and 30p were frequent.

Among the blue chips, ICI fell 31p to £15.07, Glaxo 17p to £17.08 and Beecham 23p to 544p.

Oils were in full-scale retreat as the crude price suffered. Shell lost 28p to £14.74.

Gold mines fell back as bullion showed a loss of \$1.25 to \$469.0 an ounce. Consolidated dipped 35p to £13.85 and RTZ, where BZW recently

RTZ: caution ahead of figures



issued a cautious circular, gave back 73p to £12.80. The results are expected next month and profit forecasts are being trimmed ahead of the statement.

Stores made a drab showing but Storehouse remained one of the day's active counters with a bid from Woolworth for Sears is just around the corner. The shares opened at 394p, fell back to 363p in the general rout but later rallied to 374p, a net fall of 9p. Woolworth fell 30p to 848p.

TI Group resisted the trend at 384p, up 8p after a 37 per cent profit increase matched best expectations. Westland improved 6p to 141p in belated response to the Ca-

consumer shares where falls of between 15p and 30p were frequent. Among the blue chips, ICI fell 31p to £15.07, Glaxo 17p to £17.08 and Beecham 23p to 544p.

Oils were in full-scale retreat as the crude price suffered. Shell lost 28p to £14.74.

Gold mines fell back as bullion showed a loss of \$1.25 to \$469.0 an ounce. Consolidated dipped 35p to £13.85 and RTZ, where BZW recently

of the day's active counters with a bid from Woolworth for Sears is just around the corner. The shares opened at 394p, fell back to 363p in the general rout but later rallied to 374p, a net fall of 9p. Woolworth fell 30p to 848p.

TI Group resisted the trend at 384p, up 8p after a 37 per cent profit increase matched best expectations. Westland improved 6p to 141p in belated response to the Ca-

## Dares wins with £1.57m

Dares Estates, which was rescued from oblivion three years ago, is emerging as an important player in the property market. It has turned in profits of £1.57 million for the first half of 1986, against just £163,000 a year ago, and should comfortably double that for the full year.

Mr Ervin Landau, who masterminded the reconstruction in 1984, has consolidated virtually all last December's borrowings in debenture stock, and inflated net assets

from £12 million to more than £40 million. He has already realized £9.98 million of £12.9 million Friends Provident Portfolio, acquired last March, with the sale of two properties.

Since the end of the half-year, the Heddon Street estate in central London, acquired in June for £12.36 million and bearing enormous growth potential, has been injected into a company jointly owned with the privately owned Shaftesbury, realizing £20.5 million.

Another company, where Dares has 70 per cent ownership, has acquired the freehold of 4-5 Millbank, former home of the Crown Agents. "This is a major development scheme in a prime position and demonstrates the improved quality of schemes which Dares is now able to undertake," Mr Landau said yesterday.

Shareholders collect their first dividends since 1984, an 0.1p interim and a special 0.1p payment relating to 1986.

## STOCK MARKET

## TEMPUS

## Born-again TI seeks paradise

Do not be put off by TI's very un-British adoption of the American business mantra, the "mission statement".

For the unconverted, TI's credo is to be an international engineering group focusing on specialized niche businesses. Technological and market leadership are essential.

Easier said than done, although TI is making its conversion appear effortless from a company uneasily straddling consumer and industrial sectors to one emerging as an international engineering group.

Better-than-expected domestic appliance sales proceeds have been swiftly collected. So year-end net cash should exceed £100 million.

Lossmakers are a rarity, although they depressed interim profits by £2 million. Specialized engineering is making good progress while Armco's machine contribution boosts motor vehicle sales. But the Armco deal was one of which dreams are made. A miracle would be needed to repeat such attractive terms.

So TI is out in the field looking for companies to proselytize. Converts must, however, make 10 per cent on sales, 20 per cent on assets, and have positive cash flow and strong earnings growth. Operating in a stable economy is also a prerequisite.

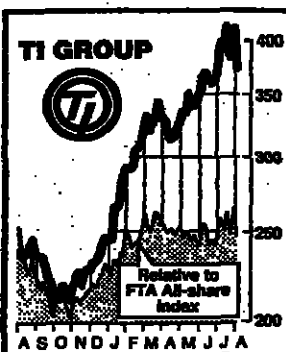
All suitable opportunities are being scrutinized although it makes more sense to make one move of significant size. Action is expected within the next 12 months.

Meanwhile, an adequate return is being earned on the cash balances.

Profits of £58 million for 1987 are on the cards with a 20 per cent rise expected the year after.

Mr Chris Lewinton, TI's chief executive, is heralded as the man to lead the company out of the wilderness of low level profitability into the promised land of earnings growth.

His message has certain appeal but let us hope that for all his missionary zeal, he does not lose touch with reality.



Ealing

## Electro-Optics

When is a bid not a bid? Answer, when you are trying to get the Stock Exchange off your back.

It is Sagemill's not unreasonable expectation that it will not receive any acceptance for its 154p-a-share offer for Ealing Electro-Optics. It has irrevocable undertakings to decline the offer from institutions totalling more than 33 per cent. Add the remaining interests of Sleipner UK, the big Ealing shareholder, and only 19 per cent of the shares remain unaccounted for.

If by any chance any of those shareholders accept the offer, Sagemill will place their shares with institutions at 154p, keeping its holding down to the 29.9 per cent it already owns.

This most unusual non-bid will not only extricate Sleipner from having to bid for EE-O itself, as required by the Stock Exchange after it acquired a 40.5 per cent stake last December as security for a loan. It will transform EE-O into a vehicle for making acquisitions.

Assuming this non-bid goes through smoothly, EE-O's basic business will be hived off into a separate subsidiary, run by its existing management. The prospective 23 times multiple is now an irrelevance in measuring the worth of the shares.

EE-O is now a shell company, poised to use its highly rated paper for a programme of fairly aggressive acquisitions. An embryonic Hanson, perhaps?

## Shine on Hickson

The health of world economies and the path of energy costs may well impact on Hickson International's margins in the next six months, but this is still no reason to turn one's back on the shares.

After stronger interim results, and with further benefits from the spate of recent acquisitions to come, the shares can still be regarded as a good hold - even in soggy markets.

Thanks to organic growth within the core chemicals division and acquisition benefits lifting the merchant distributors arm from £695,000 to £1.51 million, group pretax profits for the six months to June 30 turned out at £8.72 million against £6.99 million.

The timber protection side continues to be held in check

by a sluggish New Zealand, although this week's finalization of yet another acquisition, bringing into the Hickson fold Italy's second-largest supplier of interior wood lacquers and stains, should see timber interests doing better by the year end.

Acquisitions, collectively costing £20.8 million, have been deliberately funded via debt, which has lifted gearing from a modest 4 per cent to almost 30 per cent. The interest charge, in turn, has risen from £74,000 to £601,000, and a further rise is likely as gearing creeps to the 40 per cent level.

But the investment attitude should still be positive. Likely year-end profits of £19 million against £15.1 million put the shares, at 818p, on an undemanding prospective price earnings ratio of 14.

## APPOINTMENTS

Morgan-Grampian: Mr SA Arnold becomes managing director. Morgan-Grampian (Construction Press). Mr DA Baker becomes managing director. Morgan-Grampian Services, and Mr BV Welch becomes financial director.

Hawker Siddeley: Mr Gordon Oldrey is appointed managing director of Brook Crompton Parkinson Motors. Mr Terry Sharpe becomes production director of Lister-Petter, and Mr Barry Wells becomes sales and marketing director of the consumer products division. Crompton Vidor.

## COMPANY NEWS

● READICUT INTERNATIONAL: The company has bought East Pennine Packers for £380,000 cash. EPP based in Elland, West Yorkshire, is engaged in export packaging and freight forwarding.

● TASK FORCE GROUP: The company has acquired that part of the business of CRC (Contracts) which comprises the supply of computer programmers, analysts and software writers on a permanent or contract basis. The price is £200,000 cash.

● BEECHAM GROUP: The company is to establish a sponsored American Depository Receipts programme. Each ADR will represent two ordinary shares.

● BTR: A subsidiary, BTR Inc, has offered to acquire Stewart-Warner Corporation. Terms: \$33 cash per common share. Company owns about 491,000 shares (7.3 per cent) of S-W's common stock.

● PROPERTY SECURITY INVESTMENT TRUST: Total dividend 3p (2.5p) for the year to March 31. With figures in £000: Pretax profit 5,608 (5,408). Extraordinary credit 1,614 (744). The board proposes a one-for-four scrip issue.

## More company news is on page 23

● MORAN TEA HOLDINGS: The company has agreed to acquire the 49 per cent minority interest in Trans Global Group not already owned for 96,000 ordinary shares. The activities of TCG are international freight forwarding and related services. The acquisition is subject to shareholders' approval.

● BANCO DE BILBAO: Half-year to June 30. Pretax profit \$157.6 million (£107.6 million), against \$136.4 million. Earnings per share \$2.24 (\$2.10).

● BLENHEIM EXHIBITIONS: Conditional agreement has been reached for the purchase of the goodwill and certain of the assets and rights relating to the World Freight Exhibition and the World Trade Promotions. The consideration, payable in cash, will be a maximum of £750,000.

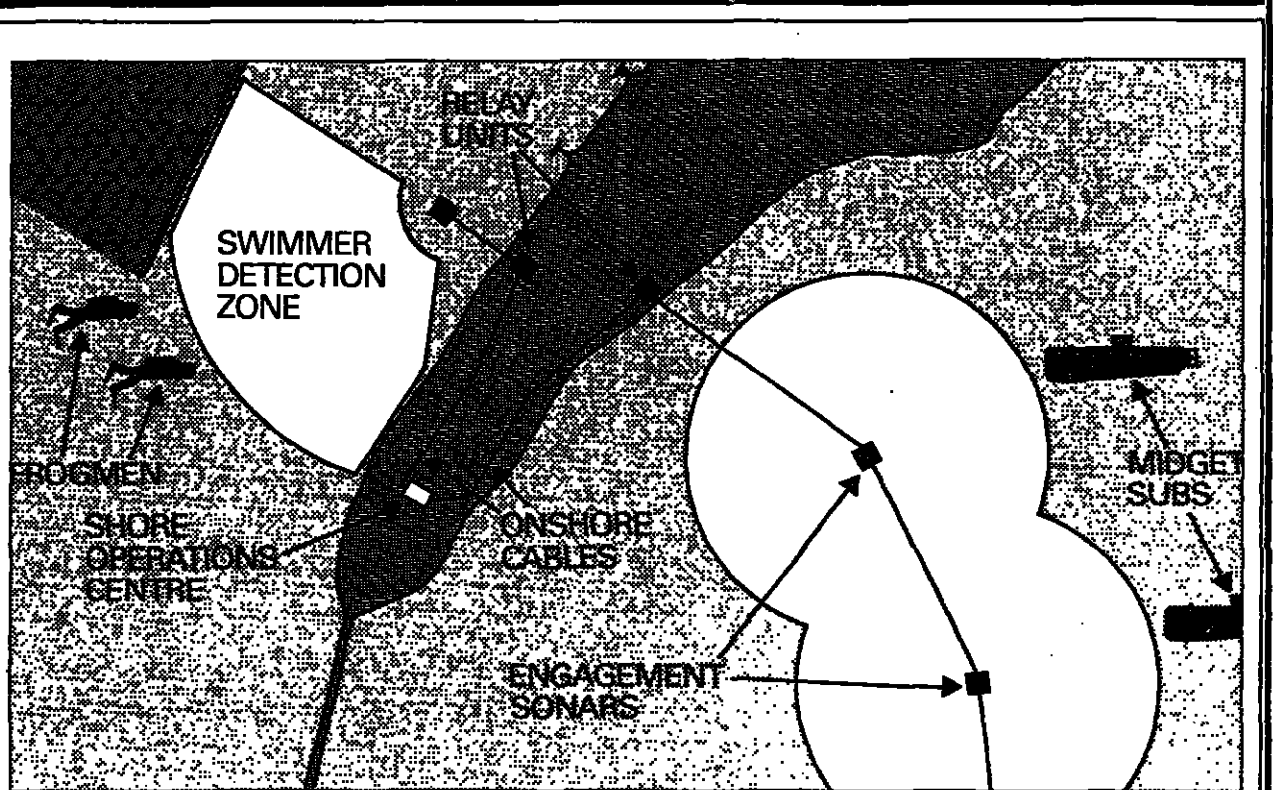
● AKZO: First half of 1987. Net income: 371 million fl (£111 million), against 437 million fl. Net sales 7,652.4 million fl (8,092.7 fl). Akzo expects to achieve a good income figure for 1987, even if the 1986 earnings level will not be repeated.

## BASE LENDING RATES

ABN	9.50%
Adam & Company	9.00%
BCCI	9.00%
Consolidated Crds	10.00%
Co-operative Bank	9.00%
C. Hoare & Co.	9.00%
Hong Kong & Shanghai	8.00%
Lloyds Bank	9.00%
Nat Westminster	10.00%
Royal Bank of Scotland	10.00%
TSB	9.00%
Gibbank NA	10.00%

## ADVERTISEMENT

## PLESSEY HOTLINE PLESSEY



The Plessey swimmer detection sonar as part of an in-depth intruder detection system.

## DEVELOPING NEW SENSORS FOR NAVAL DEFENCE

Major breakthroughs in sensor technology will be unveiled by Plessey at the Royal Naval Equipment Exhibition, Portsmouth, next month. They include a sonar to detect and track frogmen and small underwater vehicles, and a revolutionary new solid-state phased array radar.

The sonar will be of keen interest for naval and commercial harbours, off-shore oil platforms, oil refineries and nuclear power stations vulnerable to covert attack.



A Plessey sonar display.

The threat can be short range (mid-range submarines, bottom crawling submarines, swimmer delivery vehicles or divers with limpet mines) or long

range ('mother' submarines carrying smaller vessels, and mine laying ships).

With the new sonar, a Plessey intruder detection system offers a more extensive detection range than any other known system.

## MESAR RADAR

The new radar is called Multi Function Electronic Scan Adaptive Radar (MESAR).

It has been developed in conjunction with the Admiralty Research Establishment, Portsmouth. Already exciting interest on both sides of the Atlantic, it puts Plessey two years ahead of the world in radar development.

Based on gallium arsenide technology with extensive use of fibre optics, MESAR provides 360-degree constant radar coverage with multi-mode functions.

Because it combines surveillance and tracking, MESAR will reduce the number of radar installations a warship requires, saving vital space.

## THE EXCHANGE FOR THE BETTER

The Stock Exchange has ordered a System X electronic digital telephone network to replace its existing STX system.

This order was jointly by a Plessey-led partnership with GEC, in fierce competition against other major international suppliers.

It is the first System X sale outside of the public network and opens the door to similar sales to private networks, Plessey believes.

System X will provide faster, more fully featured, secure and reliable voice and data services, giving the City's financial heart

a considerable advantage over other world financial centres.

The new exchange will privately link the regional stock exchanges at Glasgow, Liverpool, Manchester, Birmingham and Dublin with the main London Stock Exchange.

Initially there will be 12,000 lines in London and 1,000 lines spread between the provincial centres, with sufficient processor capacity for future growth.

The contract is for a fully managed system including supply, installation, maintenance and support by Plessey.

**PLESSEY**  
The height of high technology

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## CONSOLIDATED BALANCE SHEET

(In Millions)	June 30 1987
<b>ASSETS</b>	
Cash and Due from Banks	\$ 4,554
Deposits at Interest with Banks	15,213
Investment Securities	12,947
Trading Account Assets	6,385
Federal Funds Sold and Securities Purchased Under Resale Agreements	6,811
Loans and Lease Financing, Net	
Commercial (Net of unearned discount of \$500 in 1987 and \$488 in 1986)	\$ 57,604
Consumer (Net of unearned discount of \$3,880 in 1987 and \$4,331 in 1986)	71,121
Lease Financing	3,405
Loans and Lease Financing, Net of unearned discount	\$132,130
Allowance for Possible Credit Losses	(4,858)
Total Loans and Lease Financing, Net	\$127,272
Customers' Acceptance Liability	4,771
Premises and Equipment, Net	3,354
Interest and Fees Receivable	2,816
Other Assets	10,342
Total	\$194,415
<b>LIABILITIES</b>	
Non-Interest-Bearing Deposits in Domestic Offices	\$ 12,374
Interest-Bearing Deposits in Domestic Offices	43,135
Non-Interest-Bearing Deposits in Overseas Offices	4,283
Interest-Bearing Deposits in Overseas Offices	57,410
Total Deposits	\$117,202
Purchased Funds and Other Borrowings	28,438
Acceptances Outstanding	4,714
Accrued Taxes and Other Expenses	3,725
Other Liabilities	8,309
Long-Term Debt	21,241
Subordinated Capital Notes	2,948
Redeemable Preferred Stock	40
<b>STOCKHOLDERS' EQUITY</b>	
Preferred Stock (Without Par Value)	\$ 1,590
Common Stock (Par Value of \$1.00 in 1987 and \$4.00 in 1986)	151
Surplus	1,896
Retained Earnings	3,550
Common Stock in Treasury, at Cost	(889)
Total Stockholders' Equity	\$ 6,798
Total	\$194,415

CITICORP CITIBANK



# US computer threat behind the airline rush to link up

By Harvey Elliott  
Air Correspondent

One small paragraph, headed "CRS," nestled among the plethora of statistics and carefully worded arguments studied by Lord Young, Secretary of State for Trade and Industry, as he pondered whether to allow the proposed merger of British Airways and British Caledonian.

At first sight, the facts set out in the presentation appear complex, even esoteric. But they hold the key to the apparent volte-face which led to the decision of Sir Adam Thomson, B-Cal chairman, to abandon his 26-year attempt to fight BA and his giant American rivals.

For "CRS" stands for "Computer Reservations Systems" — and they are changing the face of the world's aviation industry.

The development of CRS, more than any other single factor, is responsible for the emergence of the American mega-carriers, as well as virtually all the profits of the big airlines.

In laymen's terms, the systems enable travel agents to make instant bookings for



Computers on the way out: a British Airways operator and customer using the outdated system at Heathrow

clients on the most complex journeys, reserve their hotel rooms, hire cars, order theatre tickets, print out their tickets and even compile a detailed profile of personal preferences.

The systems are all owned by airlines in America with their one central "brain" connected by satellite to travel agents round the world. So far, they have changed the way

come up with their own rival system. And this is phenomenally expensive. American Airlines alone has already spent around £200 million on research in developing its system, known as Sabre.

Now, belatedly, the Europeans are striving to catch up. But even the biggest airlines realize they do not have either the money or the expertise to produce a new system on their own. So Air France, Lufthansa, SAS and Iberia have linked up to produce one CRS, and BA has tied itself in with KLM, Swissair and one of the American giants, United Airlines.

B-Cal, struggling to find any kind of profit from its airline operations, is linking in with the latter group — but it will be very much the junior partner, with little or no say in the set-up of the computer unless the merger goes ahead.

America has approximately 27,000 travel agencies, nearly all of which have terminals of one of the systems in their offices. Between them, Sabre and Apollo, which is owned by United, control more than 80 per cent of all revenues in the United States. Each of the systems is so successful that

Sabre last year brought American Airlines a profit of \$140 million (£89 million) from fees to travel agents for using the system.

But, perhaps understandably, the airlines who own the computers want to ensure they benefit most from their use. Although technically all flights are shown, the airlines which own the computers ensure that rival airlines do not appear on the first screen page flashed up by the travel agent. And it has been estimated that 90 per cent of bookings are made from that first page.

Each of the big airlines also has links with smaller domestic airlines in the US. They arrange the computer display so that the passengers who fly into a main hub airport from a town or city in the American hinterland are told that they will be on a direct flight — even if it means changing aircraft, airlines and even airports. Foreign carriers cannot do this. By buying into the Apollo system, British Airways and its partners are at least overcoming the initial hurdle of developing the hardware. Now they will need to build their own software programmes.

## Man in the news

### Mercantile raid could blow secrets of Klesch's empire

By Cliff Feltham

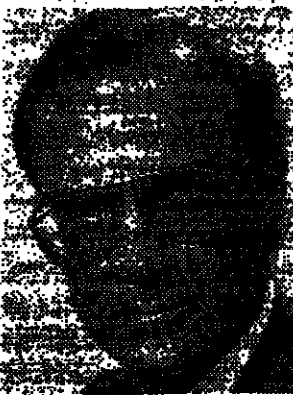
If Quadrex Holdings decides to launch a formal \$530 million takeover bid for Mercantile House, it could force the door open on the private investment empire created by Mr Gary Klesch, a former adviser to President Ford.

Mr Klesch, who has spoken out strongly against Mercantile House for being slow in keeping the financial community informed of bid developments, is remarkably coy about his own company. But he insists he has the resources needed to mount a rival bid to the one already on the table from British & Commonwealth Shipping.

Yesterday, he maintained again this was one of the advantages of controlling a private business — he owns 98 per cent of the shares in Quadrex Holdings.

This is a holding company whose main investment is RP Martin, the international money broker, based in London, that he acquired in 1985 for £44 million.

Mr Klesch says that Quadrex Holdings is only one of his



Gary Klesch: ready to top British & Commonwealth

investment vehicles. The last published report and accounts show that in the year ended June 1986 the profit before interest on long-term debt and tax was £12.1 million. Turnover was 34 per cent ahead.

The accounts show that the group was involved in a legal action in the United States in which the plaintiffs were alleging "interference and injury to their business" and were seeking actual damages of £8 million and punitive damages of £30 million. Mr Klesch says

the case was settled out of court and arose out of RP Martin recruiting staff from one of its competitors.

The accounts also state that the ultimate holding company of Quadrex Holdings was Traco International, a company incorporated in Curacao, Netherlands Antilles. Mr Klesch says this structure has since been dissolved.

Mr Klesch, who is 40, became a partner in a firm of investment bankers based in Cleveland, Ohio, at 24 after cutting his teeth in corporate finance and syndication.

In 1975 he was appointed by President Ford as director of capital markets policy attached to the US Treasury Department. It was a time of turmoil, he admits.

"We had had Nixon resigning, New York City going down the tubes because of the debt crisis, and our own Big Bang on the Stock Exchange."

### Matthews to join US turkey market

By Michael Tate

Bernard Matthews, the manufacturer of poultry and other meat products which is based in Norfolk, is planning to move into the US turkey market.

It has agreed terms with Sara Lee, one of the largest processed meat producers in America, under which Matthews' turkey roasts, and other meat products, will be sold throughout the US.

Mr Bernard Matthews, the chairman, is not disclosing the financial details but the terms are thought likely to be similar to those covering the recent agreements in Canada, Australia and New Zealand, under which Matthews gets a 5 per cent royalty on turnover.

Americans consume at least 150 million turkeys a year, six times as many as are eaten in Britain. But they buy them ready-cooked. "Nowhere," says Mr Matthews, "can you buy anything similar to the uncooked 14lb turkey roast on which Matthews' fortune has been founded."

Can Mr Matthews persuade the Americans to change their eating habits and buy his "beautiful" turkeys? "Ameri-

cans eat out far more than we do, but our studies show that the concept of buying a turkey roast and cooking it at home is acceptable to them," he said yesterday.

He had "no idea" how big a slice of the market Matthews could win, but added that "5 per cent would be invaluable."

In Britain, Matthews sells more than 9 million turkeys a year, more than any other company in the market.

Sara Lee, which has a national distribution network, already has around 5 per cent of the US turkey market, through its recent acquisition, Bill-Mar Foods.

Plans are already being drawn up for a production plant at Zeeland, Michigan, and Matthews' products should be on sale early next year.

Besides turkeys, it will produce Matthews' style beef and pork products, and there are plans eventually to introduce New Zealand lamb.

Mr Matthews said yesterday that he had been considering a US venture for some time before Sara Lee approached him "some months ago."

## COMMENT Kenneth Fleece

### Nigel Lawson throws meat to hungry bears

There are three reasons why the Governor of the Bank of England, acting out the Chancellor's will, might wish to impose a new Bank Rate. He may have to bow to the inevitable: it may wish to steady the markets or it may want to administer a shock.

Yesterday's one-point jump caught the markets by surprise precisely because there was no market pressure for the Chancellor to act. Money market rates had edged up but did not require a base rate move. The foreign exchanges were not in turmoil. True, the Gulf flare-up had quixotically favoured the dollar as dealers responded with traditional reflexes. Since the mark was also strong, that left the oil-rich pound exposed. But the fall in sterling against the mark yesterday morning hardly affected a decision already made.

Rather, there is every reason to think that Mr Lawson wanted to steady the ship. And well he might. Credit had been spiralling through the roof, taking security and house prices on the rise. And slack monetary policy was increasingly being seen, both at home and in the international currency markets, as the Achilles heel of a strong economy.

It is not generally expected that next Tuesday's trade figures will be in last month's disaster class. But, taken with an expected rise in producer prices, they would certainly have tended to confirm the slack money analysis. It may well be, therefore, that the Chancellor had summed up the latest trends in money, trade, and asset inflation and decided that a preemptive jerk on the tiller was needed to settle things down.

But timing is everything in the markets. By bringing base rates back to 10 per cent just at the moment when equities and gilt-edged were trying to recover from a bout of nerves, Mr Lawson has ended up administering a severe shock.

The Mecca massacre triggered a 64-point fall in the FT-SE 100 share index over two days. Wednesday's 10-point recovery suggested dealers were treating this as a necessary correction rather than the end of the bull market predicted by BZW, the leading market-makers, and seconded by Warburg Securities, let alone the financial crash dreamed up by crisis-mongers as a consequence of back office settlement problems.

Yesterday morning the index started with a further 16-point recovery before Mr Lawson produced the biggest one-day money loss in history. That pushed the week's loss into three figures, adding to dealers' problems.

The odds have, therefore, dramatically shortened on the possibility that we saw a major market turning point last month and will now see either a precipitate fall in share prices or a more prolonged bear. If that were the case, the market would have to worry about the

unpredictable further element of millions of brand new small shareholders, who have never until now learned what it is to lose money on shares.

Attention will focus back on the warnings of BZW, a firm noted for its long-term market analysis in its old guise of de Zoete. The yawning yield gap between shares and gilt-edged in London has stood out like a sore thumb for some time. As BZW pointed out, the dividend yield on shares also crossed below the yield on index-linked gilt-edged in the spring. A new reverse yield gap then built up just at the time when profit and dividend growth might be expected to slow down along with the leading world economies.

There has been a bull market round the world throughout the eighties, with scarcely interrupted growth in share prices since the middle of 1984. London has outpaced other leading markets this year, with a rise of almost 50 per cent in the 100 share index from January to the July 16 peak.

Yet most other markets — first in Europe, then in Tokyo — have already broken decisively down in response to signs of economic stagnation, leaving the UK and Wall Street exposed. And while British output growth has been comparatively high of late, there have been plenty of signs that this cannot be indefinitely sustained in the absence of much sharper recovery in Germany and Japan.

The jump in base rates has thus far had little effect on sterling. But it has added to the economic caution. It has also pushed gilt-edged down, so that long-term interest rates are again knocking on the 10 per cent level, emphasizing the yield gap.

If there is a real prospect of lower profits growth and higher interest rates continuing hand in hand, then the full ingredients are in place for a bear market. But it is far too early to be sure that there is a trend to higher interest rates.

Across the Atlantic, the new Governor of the Federal Reserve, Alan Greenspan, may well be keener to demonstrate his anti-inflationary credentials than prop up American economic growth. At home, however, Mr Lawson will be extremely anxious to bring base rates down again in the autumn, in time for the party conference and the BP sale.

Events and sentiments still have to decide whether the London share market is merely undergoing a correction or a change in the tides. If it proves a swift correction, then a fall of 9.25 per cent from the peak does not look enough to blow away the froth. And, despite a spirited retreat from the abyss yesterday afternoon, Mr Lawson's timing has pushed the odds in favour of the bears.

### Bonn orders drop as economy slows

By Our City Staff

There was further evidence yesterday that the German economy is slowing down again after a flurry of growth. New orders for industry fell by a further 0.9 per cent in June following a similar fall in May, the Economics Ministry announced.

Orders are now 2.8 per cent lower than a year ago. More-over domestic orders are most depressed, falling 2 per cent between May and June. This suggests that the Bonn government's assertion that domestic demand is rising satisfactorily is misplaced. Capital goods

orders are particularly dull. Instead, German industry is still relying on export growth, which continues to hold up in the face of the advancing mark. Overseas orders rose 1.5 per cent between May and June.

The order figures follow news that industrial production fell 1.5 per cent between May and June. There was also bad news on employment earlier this week. Unemployment edged up a seasonally-adjusted 9,000 to 2.25 million in July, after rising by 25,000 in June. There was also a

sharp rise in short-term working and a small cut in the number of job vacancies last month.

But Herr Otto Schlecht, State Secretary at the Economics Ministry, put a much more confident view of recent economics trends yesterday, in advance of the publication of final figures for the second quarter of the year — and in contrast to the scepticism of private economists.

He said that, allowing for seasonal factors, West German output had probably grown by between 1 and 1.5

per cent in the second quarter, compared with the first three months of 1987.

Compared with the same periods of 1986, output had grown by about 1.5 per cent in the first half as a whole, slowing to between 0.5 and 1 per cent in the second quarter.

The Economics Ministry is still predicting that output will be 1.5 to 2 per cent higher in 1987 than 1986 as a whole, compared with 2.4 per cent growth last year. Inflation is forecast to settle down at 0.5 per cent, before rising to 1.5 per cent this year.

### Herd to the rescue

There is a charming inevitability about the way that successful immigrants to the United Kingdom become hypnotized by its traditions, particularly those of the aristocracy. No surprise then that some useful support for the huntin', shootin' and fishin' set is being provided by Merrill Lynch, the American stockbroker, which, presumably, will now be known as the Thunderin' Herd. The brokers have come to the rescue of the grouse shooters, who start their season in six days' time. Problem is, the red grouse population, which has always shown many fluctuations, is on a particularly steep downward curve. It is showing signs of crashing in fact, so Merrill Lynch Europe chairman Stanley Yasukovich has stepped in with a donation of £25,000 to the Game Conservancy Trust, to help its investigation. There are economic considerations as well as a lack of targets for the Purdeys. Poor shooting means poor prices for moorland, and rural economic blight. This is not its first excursion into country sports. The recent Game Fair at Chatsworth featured the Merrill Lynch Gun Dog Scurry. Justifying this expense on what might appear to be esoteric British pastimes for the well-heeled, will not be a problem according to a spokesman for the Herd. It will raise the company's profile among the very-high-net-worth individuals who were wearing green wellies and Barbour before the uppity yuppies adopted them.

Ray Heath

## THE TIMES CITY DIARY

### Liffe hustle and bustle

Liffe's lively trading floor at the old Royal Exchange building is too small for the fast-growing futures and options exchange, according to many people. Brian Williamson, the chairman, disagrees. He thinks trading shoulder to shoulder in the hustle and bustle might even be beneficial for Liffe operators. Quizzed

about possible plans for new, roomier premises yesterday, he replied: "The danger of getting into an armchair is that you might go to sleep." But, given the fever pitch of the floor during yesterday's market collapse, there would be no chance of dozing off at Liffe, even if it were located in the Albert Hall.

Cloves and Guy Cramer for the sleepy Welsh brewer Buckley's. The visitor was Simon Buckley, a direct descendant of the founding family which set up the Llanelli-based business more than 200 years ago. The



Stock Exchange

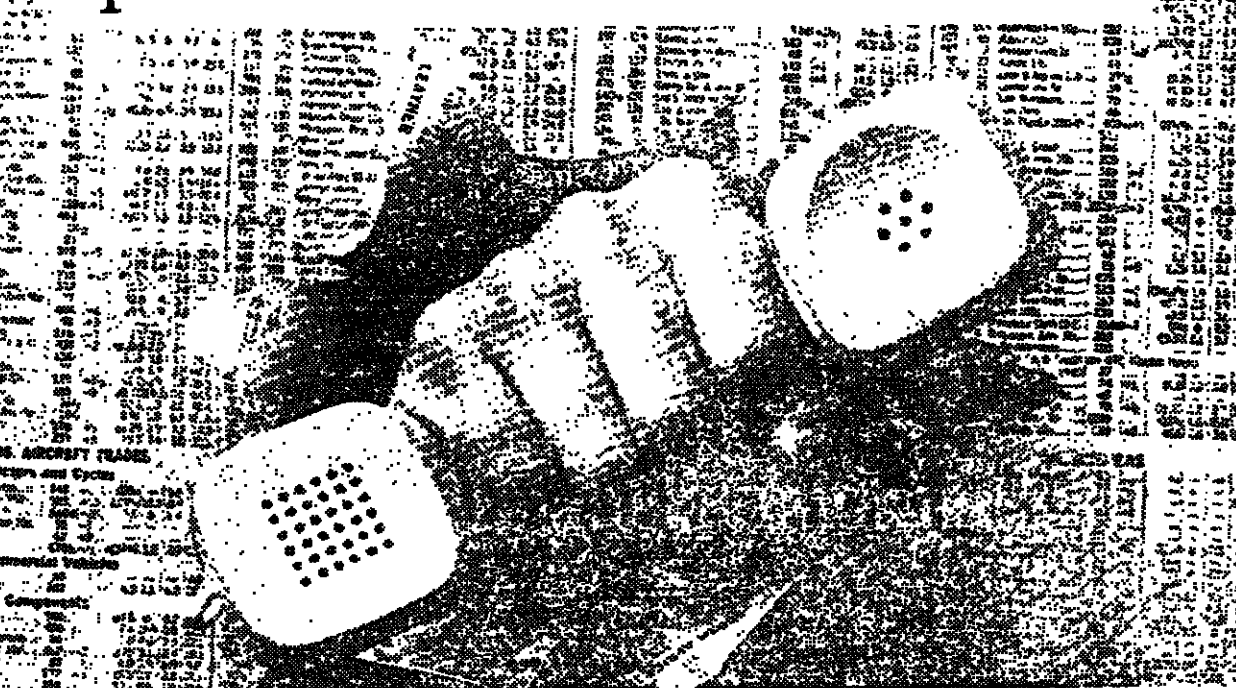
Buckley family still has about 4 per cent of the shares but is no longer represented on the board, which is opposing the takeover. So what did Mr Buckley — who is not connected with brewing — think of the offer? "I don't want to get embroiled in the bid but actually I think the plans Mr Cramer has for the brewery seem excellent. The offer has a lot going for it." Comments hardly likely to help the board's defence.

### Hats off

Landing control of controversial licensed dealer Harvard Securities could take even longer than David Wickes, former boss of British Car Auction Group, had expected. The message to Harvard employees from joint founder Tom Wilnot at an apparently emotional staff party at the Inn on the Park on Wednesday night, is that two other hats are now in the ring.

"Oh yes, their turnover is enormous — on paper, of course..."

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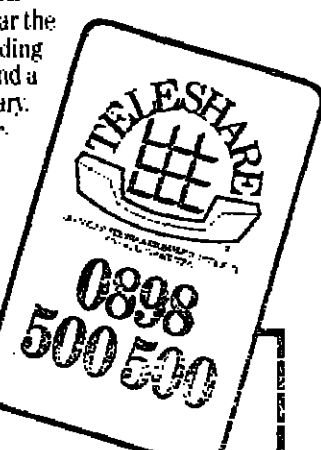
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## COMPANY NEWS

**● MOLYNX HOLDINGS:** Six months to June 30. With figures in £000: Turnover 1,340 (1,160). Profit 181 (160). Earnings per share 3.4p (3p).

**● CHESTERFIELD PROPERTIES:** The company has reached agreement with Great Universal Stores (the freeholder) on the development of the former Hoodsfield Warehouse site, London, EC3. The new building, which has been given the working title of Exchange Court, will have a total net office area of 200,000 sq ft. Completion is scheduled for January, 1989. One of Chesterfield's subsidiaries will take a 200-year lease when the building is finished.

**● SANDVIE:** A subsidiary, Seco Tools, has acquired the Carboly Systems operation from General Electric of the US. Carboly has a turnover exceeding \$100 million (£63 million) and employs about 1,500; its product programme mainly comprises cutting tools.

**● LADIES PRIDE:** Dividend unchanged at 0.5p for the six months to May 31. With figures in £000: Sales 3,692 (3,369). Profit 19 (loss 13). Earnings per share 0.15p (loss 0.15p). Transfer of production from the Copdale Road factory was completed in May and the premises were sold in June, realising a profit of about £250,000 which will be included in the full-year results.

**● DSC HOLDINGS:** Total dividend unchanged at 0.5p for the year ending March 31. With figures in £000: Turnover 2,785 (2,170). Loss on trading activities, before tax and extraordinary items, 249 (82 loss). Extraordinary items: credit 101 (nil). Loss per share 8.14p (3.25p).

**● W CANNING:** The Marston Bentley offshoot has purchased Northern Adhesives of Prudhoe, Northumberland, for a sum which is "insignificant" in terms of Canning's assets.

**● MEDIRACE:** TC Coombs and Company's offer for sale on behalf of Medirace closed over-subscribed. All valid applications will receive a scaled-down allotment, except for applications for the minimum number of units which will be allotted in full.

**● CORPORATE ESTATES PROPERTIES:** The company (formerly UTC Trading Corporation) is making its debut on the USM through a placing by Fiske and Co. the stockbroker, of 2.81 million new ordinary shares at 50p each to raise £1.22 million (net). This will capitalize the group at £12.5 million with 25 million ordinary shares in issue.

**● ECCLESIASTICAL HOLDINGS:** Year to February 28. With figures in £000: Gross premiums: general 58,800 (45,779) and life 13,254 (10,978), making 72,054 (56,757). Net premiums: general 41,336 (30,721) and life 13,113 (10,060), making 54,449 (40,781). Profit 3,399 (2,439).

**● SUTER:** The company has sold Mitchell Coss Engineering (Australia) to Noyes Brothers, a subsidiary of the Hawker Siddeley Group, for Aus\$9.4 million (£4.1 million).

**● DC COOK:** Birchdents, a subsidiary, has acquired the freehold property, fixed assets, goodwill and parts stock of Parsh (York) for £1.1 million cash, together with £208,000 cash for motor vehicles and consumable stocks.

**● UNITED GUARANTEE:** The company has acquired Universal Towel (1981) from Barbican Holdings for £235,000 in cash. Universal supplies washroom hygiene and janitorial products.

**● SENIOR ENGINEERING:** The Australian offshoot is to buy ME Mack Valves for Aus\$6 million (£2.66 million) cash. Mack is one of Australia's leading industrial valve designers and manufacturers.

**● CANNON STREET INVESTMENTS:** Agreement has been reached for the purchase of T&L (Fine Food & Wine) for an initial consideration of £500,000. A further payment will be made of four times the amount by which the profits for 1987-88 exceed £125,000. Cannon Street has also agreed to acquire Hi-Tech Holdings for an initial price of £680,000. An additional consideration, up to a maximum of £2 million, is payable in instalments, based on profits for the three years ending June 30, 1990.

**● ROCKWOOD HOLDINGS:** A three-for-two rights issue of 15.32 million new ordinary shares at 110p each is to be made. It will raise £16 million (net) which will be used to repay short-term borrowings and provide funds for expansion.

**● PENTLAND INDUSTRIES:** The group has agreed in principle to invest in the US business of El Greco which is one of the leading young women's fashion footwear companies in America. The group and Mr Charles Cole (the main shareholder of El Greco) will become the shareholders of a new company which will acquire almost all El Greco's business and assets.

# Banks: all things to all men

Sir Timothy Bevan, former chairman of Barclays Bank, examines how foreign competition forced banks to diversify and change into a multi-service industry



Sir Timothy Bevan: customer service should not lose out to profits

The City is a generic term used to cover a range of financial services, one of the most important being banking. Like the rest of the City, banking is undergoing rapid change, or what, in search for a slogan, commentators call "The City Revolution."

When I joined Barclays in 1950, the bank rate was 2 per cent; bank annual reports were uninformative in that the profit was stated after undisclosed transfers to hidden reserves (Barclays' declared profit that year was £2.6 million) and "touting" for business was considered bad form. And so it continued for 15 years or so. Now, I am glad to say, all that has changed.

Looking back, it is clear that the roots of change lay in four developments, although it did not seem so obvious at the time.

The first was the arrival of overseas banks in the Sixties to take part in the Eurocurrency markets that were growing in London. Now the 440 overseas banks in London, as well as dominating foreign currency lending, probably have 30 per cent of lending in sterling to British companies and financial institutions. They have shot margins on loans to large companies to ribbons.

The second was the abolition of the clearing bank interest rate cartel and the removal of lending restrictions on the clearing banks in the autumn of 1971 known as "competition and credit control."

This freedom has led to acute competition by the banks for the favours of their personal customers.

The third source of change has been new technology. Without the developments in this area, the credit card would not have gone far. Now networks of desk-top terminals are transforming communications, facilitating the pricing of mathematically-complex instruments, enabling transactions to be conducted worldwide and making exchange dealing floors such as the

Stock Exchange unnecessary. Finally, we have witnessed the growing internationalization of banking. At one time, clearing banks, although not Barclays, concentrated on their traditional domestic markets. But the arrival of overseas, and particularly American banks, in London prompted an aggressive response.

The general abolition of exchange control and the impact of technology has also helped create an international market, which has taken the clearing banks into the securities business, providing the comprehensive service customers now expect. A few years ago, large companies usually took their bank borrowings through overdrafts or loans; now they borrow by issuing negotiable instruments, or in today's jargon, the borrowing has become securitized. This trend is fast breaking down the distinction between commercial and investment banking.

Now that the dust is beginning to settle, we can see the effects of change on the banks and peer at what the future might hold. One argument that can be knocked down straightaway is that the breakdown of the old privileges would lead to the banks losing out to "more aggressive" competitors. On the contrary, not only have the banks shown resilience in meeting newcomers head-on, they have taken advantage of their new freedom to invade the territory of other financial institutions — building societies, insurance companies and stockbrokers — when profitable opportunities have presented themselves.

Although there are many more players, the pitch has grown considerably larger. Our customers have a healthy appetite for financial services. Whereas in 1971, 50 per cent of domestic properties were owner-occupied and mortgage debt stood at £13.4 billion, by 1986 this had increased to 63 per cent and £152.5 billion. A similar trend can be seen

in the rise of consumer debt, the number of unit trust holders, and more recently in the number of individual shareholders.

Similarly, on the corporate side there has been a rapid increase in the demand for financial instruments that enable borrowing costs to be further reduced or exposure hedged (such as swaps or forward rate agreements) and the activity here more than offsets a comparative decline in traditional bank overdrafts and medium-term loans. There is no doubt that competition is now more intense than ever before. The number of foreign banks in London continues to grow, while building societies have been given powers to sell financial services other than mortgages and retailers are now providing their own credit cards.

Let us not forget that Walter Wriston, the chairman of Citibank, once said the department stores were the real competition for banks' personal customers, and Merrill Lynch, which started as a stockbroker, is now a financial conglomerate and a real banking competitor.

But in the same way as when two stores in the same line of business open next door to each other, usually both do better despite the competition, so competition in financial services is to be welcomed, and from the customer's point of view, there is now unprecedented choice.

In the corporate market, for example, small businesses now have a wider variety of funding sources and products than ever before. The banks have developed new products in response to customer needs, and we must continue to ensure we are responsive to their requirements.

In this they are both aided and handicapped by their expensive branch system: aided in that it is prohibitively expensive for a competitor to set up from scratch branches all over the country, but handicapped in that to earn a return on these expensive assets they have to put more and more services through the branch.

And there is another factor:

previously customers were loyal in that few switched banks. This is changing with the impact of automation and competition.

Diminishing customer loyalty and the fact that today nearly 80 per cent of the adult population has a bank account, have important implications for banks. It is no longer possible for us to present a uniform image to the public and look to grow either by acquisition or by attracting as customers those people who previously did not have a bank account. More and more banks are consequently sowing interest in techniques such as image and branding, and are pursuing different strategies in response to the pressures of change.

Nowhere is this more clearly seen than in the clearing banks' approaches to Big Bang. Lloyds, for example, adopted a strategy of not buying an interest in Stock Exchange firms but rather has developed its in-house experience and capacity. National Westminster, on the other hand, bought an interest in relatively small firms and used these as a basis for building up its investment bank. By contrast, Barclays decided to make a heavy investment in large firms to achieve a significant share of the new markets.

But if the clearing banks are to compete in the future as successfully as they have to date, we must not be put at a disadvantage to our competitors. The authorities must, therefore, ensure that the system of banking supervision in Britain is not only effective but also does not put British banks at a commercial disadvantage in both international and domestic markets.

To conclude, there was a clearing bank chairman after the Second World War who declared banking was a service, not a business. We would certainly not make this distinction today. Managing a modern clearing bank means managing a multi-national business with all the associated opportunities and risks. It also means living with a future of continuing change and fierce competition. The banks have the resources to manage change and compete successfully, but our future profitability will depend upon our ability to remain close to our customers and provide them with the services they require.

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NOW, for the first time in the UK, you can have that exclusive information, thanks to a new computerised service called SMART MONEY MONITOR (or SMM for short). Made possible by Big Bang, SMM is a newsletter that uses a unique analytical system that shows you precisely which top shares are poised for maximum take-off.

## HOW THIS REVOLUTIONARY NEW SYSTEM WORKS

Seventy per cent of the share dealing on the UK stockmarket is carried out by the professional fund managers wielding billions of pounds to invest. They are the people who really make share prices move.

These knowledgeable professionals concentrate mainly on the top Alpha and Beta shares. The professionals are looking for performance. To keep their jobs, they must do better than the Financial Times Actuaries All Share Index, which is their benchmark.

The fund managers all get their buy/sell advice from the leading analysts in each sector, so when they act they tend to act in unison. They all pounce on the favoured share (or shares) and the inevitable happens: the price, which is already moving up, really takes off.

Until Big Bang, it was impossible for outsiders to discover when this "overdrive effect" was about to happen. The City jobbing firms kept secret the volume of dealing that was being carried out by the institutional investors.

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If a rising price coincides with a much heavier than average volume of professional dealing, it could mean that the "overdrive effect" is about to take place. If our experts decide that it does, then and only then will they give you the signal to jump on the bandwagon. The SMM system means you can buy rising stocks confident in the knowledge that they will go much higher. Similarly, the SMM system provides a clear selling signal so you can get out with the maximum profit as the tide turns.

During 1985 the SMM system was given a secret trial run in anticipation of Big Bang. With the help of the jobbing firms, a small number of shares were monitored to see if the buy signal was followed by a major price rise. The results, as you can see, were remarkably accurate:

- **Freemans** Buy signal in July '85. Rose from 238p to 344p by year-end — a jump of 44% in five months. If held until July '86 the gain would have been 88%.
- **Lucas** Buy signal in September '85. Rose by 25% by year-end and peaked at 650p — a gain of 75% — in April '86 when a falling share price and high volume indicated a sell signal. By September the shares were back to 490p.
- **Woolworths** Buy signal in August '85. Rose from 458p to 582p by end October — a jump of 27% in three months. This was before any bid possibilities.
- **Allied Lyons** Buy signal in June '85. Rose from 198p to 300p by year-end — a jump of 51% in six months. Continued upwards to a high of 380p.

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With effect from the close of business on Friday 7th August 1987 and until further notice, TSB Base Rate is increased from 9.0% p.a. to 10.0% p.a.

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In accordance with the rules of The Stock Exchange, London, Unilever PLC has issued a circular to shareholders describing the above transaction and the reason for it. Copies of this circular, which is in the English language, are also available to shareholders of Unilever NV. The circular may be obtained free of charge on application to: Unilever PLC, External Affairs Department, P.O. Box 68, Unilever House, Blackfriars, London EC4P 4BQ. Rotterdam, August 1987



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3	Stratford	Industrial A-D	10.00
4	Haywood Williams	Building/Roads	10.00
5	ASDA-MFT (Int)	Food	10.00
6	Nina Foods	Food	10.00
7	TVS NV	Consumer TV	10.00
8	Halsam	Industrial E-K	10.00
9	Sayer DM50	Chemicals/Pha	10.00
10	Baker Harris	Property	10.00
11	Lawrie	Industrial L-R	10.00
12	Scamtronic	Electricals	10.00
13	Br Airways (Int)	Industrial A-D	10.00
14	Clark (Member)	Property	10.00
15	Folke Group NV	Industrial E-K	10.00
16	Warrington (7)	Building/Roads	10.00
17	Holme Of London	Drugs/Stores	10.00
18	Noton	Industrial L-R	10.00
19	Argill (Int)	Food	10.00
20	Classified Lawrence	Motor/Aircraft	10.00
21	TI	Industrial S-Z	10.00
22	ML Hops	Industrial L-R	10.00
23	Rover	Motor/Aircraft	10.00
24	Davies & Newman	Industrial A-D	10.00
25	Broken Hill	Industrial A-D	10.00
26	Hill Samuel	Steel/Discom	10.00
27	General Motor	Motor/Aircraft	10.00
28	Hunter Septer	Food	10.00
29	Hillier	Food	10.00
30	Booby & Hawke	Food	10.00
31	Telford	Industrial S-Z	10.00
32	Victor Products	Industrial S-Z	10.00
33	Arachite	Building/Roads	10.00
34	Midgum	Electricals	10.00
35	Commanbank	Steel/Discom	10.00
36	Clifford Davies	Food	10.00
37	Ampol	Oil & Gas	10.00
38	Pilo	Electricals	10.00
39	Ash & Lacy	Industrial A-D	10.00
40	AS Elect	Electricals	10.00
41	Allied Text	Textiles	10.00
42	Daniels S	Food	10.00
43	GKN (Int)	Industrial E-K	10.00
44	Buckley	Food	10.00

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1987 High Low Stock Price Change % P/E

## SHORTS (Under Five Years)

1987 High Low Stock Price Change % P/E

## FIVE TO FIFTEEN YEARS

1987 High Low Stock Price Change % P/E

## OVER FIFTEEN YEARS

1987 High Low Stock Price Change % P/E

## UNDATED

1987 High Low Stock Price Change % P/E

## INDEX-LINKED

1987 High Low Stock Price Change % P/E

## BANKS DISCOUNT HP

1987 High Low Stock Price Change % P/E

## STOCK EXCHANGE PRICES

# Equities in heavy fall

ACCOUNT DAYS: Dealings began on July 27. Dealings end today. Contango day Monday. Settlement day August 17.  
Forward bargains are permitted on two previous business days.

Prices are recorded at 5pm. Changes are calculated on the previous day's close and may differ from changes calculated by comparing 5pm prices, published the previous day. Where one price is quoted, it is a middle price. Changes, yields and price earnings ratios are based on middle prices. (as) denotes Alpha Stocks. (VOLUMES PAGE 26.)

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	ASDA-MFT (Int)	9.75	-0.25	-2.5	10.0
10.00	9.50	Nina Foods	9.75	-0.25	-2.5	10.0
10.00	9.50	TVS NV	9.75	-0.25	-2.5	10.0
10.00	9.50	Halsam	9.75	-0.25	-2.5	10.0
10.00	9.50	Sayer DM50	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Baker Harris	9.75	-0.25	-2.5	10.0
10.00	9.50	Lawrie	9.75	-0.25	-2.5	10.0
10.00	9.50	Scamtronic	9.75	-0.25	-2.5	10.0
10.00	9.50	Br Airways (Int)	9.75	-0.25	-2.5	10.0
10.00	9.50	Clark (Member)	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Folke Group NV	9.75	-0.25	-2.5	10.0
10.00	9.50	Warrington (7)	9.75	-0.25	-2.5	10.0
10.00	9.50	Holme Of London	9.75	-0.25	-2.5	10.0
10.00	9.50	Noton	9.75	-0.25	-2.5	10.0
10.00	9.50	Argill (Int)	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Classified Lawrence	9.75	-0.25	-2.5	10.0
10.00	9.50	TI	9.75	-0.25	-2.5	10.0
10.00	9.50	ML Hops	9.75	-0.25	-2.5	10.0
10.00	9.50	Rover	9.75	-0.25	-2.5	10.0
10.00	9.50	Davies & Newman	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Broken Hill	9.75	-0.25	-2.5	10.0
10.00	9.50	Hill Samuel	9.75	-0.25	-2.5	10.0
10.00	9.50	General Motor	9.75	-0.25	-2.5	10.0
10.00	9.50	Hunter Septer	9.75	-0.25	-2.5	10.0
10.00	9.50	Hillier	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Booby & Hawke	9.75	-0.25	-2.5	10.0
10.00	9.50	Telford	9.75	-0.25	-2.5	10.0
10.00	9.50	Victor Products	9.75	-0.25	-2.5	10.0
10.00	9.50	Arachite	9.75	-0.25	-2.5	10.0
10.00	9.50	Midgum	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Commanbank	9.75	-0.25	-2.5	10.0
10.00	9.50	Clifford Davies	9.75	-0.25	-2.5	10.0
10.00	9.50	Ampol	9.75	-0.25	-2.5	10.0
10.00	9.50	Pilo	9.75	-0.25	-2.5	10.0
10.00	9.50	Ash & Lacy	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	AS Elect	9.75	-0.25	-2.5	10.0
10.00	9.50	Allied Text	9.75	-0.25	-2.5	10.0
10.00	9.50	Daniels S	9.75	-0.25	-2.5	10.0
10.00	9.50	GKN (Int)	9.75	-0.25	-2.5	10.0
10.00	9.50	Buckley	9.75	-0.25	-2.5	10.0

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10.00	9.50	TVS NV	9.75	-0.25	-2.5	10.0
10.00	9.50	Halsam	9.75	-0.25	-2.5	10.0
10.00	9.50	Sayer DM50	9.75	-0.25	-2.5	10.0

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1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Folke Group NV	9.75	-0.25	-2.5	10.0
10.00	9.50	Warrington (7)	9.75	-0.25	-2.5	10.0
10.00	9.50	Holme Of London	9.75	-0.25	-2.5	10.0
10.00	9.50	Noton	9.75	-0.25	-2.5	10.0
10.00	9.50	Argill (Int)	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Classified Lawrence	9.75	-0.25	-2.5	10.0
10.00	9.50	TI	9.75	-0.25	-2.5	10.0
10.00	9.50	ML Hops	9.75	-0.25	-2.5	10.0
10.00	9.50	Rover	9.75	-0.25	-2.5	10.0
10.00	9.50	Davies & Newman	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Broken Hill	9.75	-0.25	-2.5	10.0
10.00	9.50	Hill Samuel	9.75	-0.25	-2.5	10.0
10.00	9.50	General Motor	9.75	-0.25	-2.5	10.0
10.00	9.50	Hunter Septer	9.75	-0.25	-2.5	10.0
10.00	9.50	Hillier	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Booby & Hawke	9.75	-0.25	-2.5	10.0
10.00	9.50	Telford	9.75	-0.25	-2.5	10.0
10.00	9.50	Victor Products	9.75	-0.25	-2.5	10.0
10.00	9.50	Arachite	9.75	-0.25	-2.5	10.0
10.00	9.50	Midgum	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Commanbank	9.75	-0.25	-2.5	10.0
10.00	9.50	Clifford Davies	9.75	-0.25	-2.5	10.0
10.00	9.50	Ampol	9.75	-0.25	-2.5	10.0
10.00	9.50	Pilo	9.75	-0.25	-2.5	10.0
10.00	9.50	Ash & Lacy	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	AS Elect	9.75	-0.25	-2.5	10.0
10.00	9.50	Allied Text	9.75	-0.25	-2.5	10.0
10.00	9.50	Daniels S	9.75	-0.25	-2.5	10.0
10.00	9.50	GKN (Int)	9.75	-0.25	-2.5	10.0
10.00	9.50	Buckley	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	ASDA-MFT (Int)	9.75	-0.25	-2.5	10.0
10.00	9.50	Nina Foods	9.75	-0.25	-2.5	10.0
10.00	9.50	TVS NV	9.75	-0.25	-2.5	10.0
10.00	9.50	Halsam	9.75	-0.25	-2.5	10.0
10.00	9.50	Sayer DM50	9.75	-0.25	-2.5	10.0

1987 High	1987 Low	Company	Price	Change	%	P/E
10.00	9.50	Baker Harris	9.75	-0.25	-2.5	10.0
10.00	9.50	Lawrie	9.75	-0.25	-2.5	10.0
10.00	9.50	Scamtronic	9.75	-0.25	-2.5	10.0
10.00	9.50	Br Airways (Int)	9.75	-0.25	-2.5	10.0
10.00	9.50	Clark (Member)	9.75	-0.25	-2.5	10.0

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198	Home	250	4.5	2.3	25.1
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## LONDON TRADED OPTIONS

	Series	Cable			Fibre		
		Sep	Oct	Nov	Sep	Oct	Nov
Dynoms cont	360	4	24	34	—	26	3
	381	1	—	—	36	—	—
Glevo ('1684)	1860	115	155	210	48	80	—
	1750	80	130	170	80	100	—
	1750	60	110	160	98	125	14
	1800	40	92	135	120	160	18
Harrison ('183)	180	—	32	33	3	41	—
	180	10	18	21	5	8	1
	200	3	8	11	17	18	—
Seare ('167)	140	30	35	36	3	14	—
	160	14	17	20	—	—	—
	180	3%	10	17	15	19	—
Tesco ('181)	183	10	16	26	10	16	2
	220	4	10	24	30	24	—
	220	2	5	12	42	46	4
Thorn EMI ('983)	550	57	80	110	10	22	—
	750	48	76	100	10	22	—
	750	10	30	40	120	90	9
	780	4	13	27	120	125	13
THF ('247)	240	15	24	30	8	11	1
	260	7	14	30	20	24	2
	280	2	8	14	26	39	—
	Series	Aug			Nov		
		Aug	Nov	Feb	Aug	Nov	Feb
BAA ('135)	130	9	18	20	3	7	1
	140	4	10	14	8	13	1
	150	1	4%	12	—	—	—
Brit Aero ('500)	550	15	38	80	13	32	44
	550	3	20	37	53	65	71
	550	1	11	19	102	113	135
BAT Inds ('815)	850	70	83	100	—	—	—
	900	25	48	67	8	27	33
	950	4	25	42	53	55	60
	770	2	11	18	—	—	—
Brit Telecom ('274)	260	15	27	—	2	10	—
	280	1%	18	25	14	22	24

Lloyds Bank Plc, 71 Lombard Street, London EC3P 3BS

[illegible]

and granted the landlord possession of a dwelling house on the basis that the tenancy was a **the tenants, and as not taking the tenancy outside the scope of section 52(1)(c).**

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the tenancy outside the scope of section 52(1)(c).

ockdale), which on February 4 as imposing "obligations" on the tenants, and as not taking d granted the landlord pos- the tenancy outside the scope of session 52(1)(c).  
sion of a dwelling house on e basis that the tenancy was a

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<p><b>DAILY DIVIDEND</b> £16,000</p> <p>Claims required for <b>+44 points</b></p> <p><b>Claimants should ring 0254-53272</b></p>	<p><b>WEEKLY DIVIDEND</b> £8,000</p> <p>Claims required for <b>+248 points</b></p> <p><b>Claimants should ring 0254-53272</b></p>
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[illegible]

675	452	BAT (adj)	6.11	6.08	-4	75.6
183	119	Carroll	1.60	1.62	•	
412	236	Richmans B	3.78	3.63	-4	10.6

● Ex dividend a Ex all b Forecast dividend  
 payments passed f Price at suspension g Div  
 yield exclude a special payment k Pre-merge  
 Forecast earnings to Ex, right r Ex, no div, E

● Ex dividend a Ex all b Forecast dividend e Interim  
payments passed f Price at suspension g Dividend and  
yield exclude a special payment k Pre-merger figures a  
Forecast earnings o Ex other r Ex rights s Ex scrip or  
share until t Tax-free. No earnings data.



























# Miandad proudly stalks the Oval corridor of power

By John Woodcock  
Cricket Correspondent

THE OVAL: Pakistan have scored 297 for three wickets against England.

Pakistan moved appreciably closer to winning their first series in England after the first day of the fifth and final Test match, sponsored by Cornhill Insurance, yesterday. Having won an invaluable toss, they made 297 for three, Miandad scoring his first hundred against England, one that was long overdue.

The pitch, though firmer and drier, had little more to offer the bowlers than Edgbaston's, where Pakistan, at the end of the first day, were 250 for three. And now, as then, the bowling was nothing like as tidy as it should have been. England knew all about the "corridor" just outside the off stump and the importance of bowling into it: yet they gave the batsmen any amount of latitude.

A dozen and a half long hops must have been bowled, two in an over by Embury even, both outside the leg stump. On a pitch as good as this, with the initiative to be fought for, accuracy should have been the first priority.

If anyone is exempt from such strictures it is Botham, who took two of the wickets to fall and again bowled more overs than any of the others, partly because Foster strained a muscle in his side and was off the field for the second half of the day.

This was Miandad's fifteenth Test hundred; yet in his previous 20 innings against England his top score had been 88 not out. He has not scored a hundred against West Indies yet, but he will have the chance to put that right early next year.

He soon made the nine he needed yesterday to become the first Pakistani to score 6,000 Test runs. His talent is unbounded; he is fit and hungry for runs and he is going to play a lot of Test innings yet on the pitches on the sub-continent. Even Gavaskar's 34 Test hundreds must be within his reach.

Both sides confounded expectation by including two spinners, more because they must have felt that the ball would turn, sooner rather than later, than on current form. In 345 overs on the tour Tauseef and Qadir have taken 19 wickets at 53 apiece. Of the England pair, Embury has yet to take a wicket in the series. As at Edgbaston, Radford was left out.

It was as brown a pitch as was ever likely to be seen at the start of a Test match in England. I have seen greener in Calcutta, even Kanpur.

## THE OVAL SCOREBOARD

PAKISTAN won toss

PAKISTAN FIRST INNINGS					
MUHAMMAD NAZAR c Moxon b Botham	73	-	8	174	142
RAMSAR NAZAR b Botham	74	-	2	10	10
MANOOR AKHTAR c French b Dilley	131	-	15	307	258
JAVED MIANDAD not out	54	-	3	185	171
SALIM MALIK not out	12	-			
Extras: b 1, lb 5					
Total (3 wickets, 101 overs)				297	

\*Iran Khan, Ijaz Ahmed, Wasim Akram, Saleem Yousuf, Abdul Qadir and Tauseef Ahmed to bat.  
FALL OF WICKETS: 1-40 (2); 2-46 (3); 3-148 (1).  
BOWLING: Dilley 17-4-80-1; Foster 12-3-32-0; Botham 22-4-71-2; Embury 28-4-60-4; Edmonds 19-6-50-0; Gelling 3-0-0-0.

## ENGLAND

B G Broad, R T Robinson, M D Moxon, D J Gower, \*M W Gatting, I T Botham, J E Embury, \*B N French, N A Foster, P H Edmonds and G R Dilley.  
Umpires: D J Constant and K E Palmer.

When I asked Len Hutton how it compared with the one on which he scored his 364 on the same ground in 1938, he was in no doubt whatever that in those days they were all much fatter.

He recalled how the first ball bowled by Ken Farnes was taken by Arthur Wood behind the wicket at head height and on the retreat. "The pace of it sent Arthur reeling," Sir Leonard said. Yesterday Dilley and Foster were barely fast and French certainly did not reel.

Muhammad and Ramiz had played so easily through the first 40 minutes that it came as a surprise when Ramiz was bowled by Botham, hitting over confidently at the pitch of the ball. That was in the tenth over. In the thirteenth Mansoor Akhtar was drawn forward by a wide one from Dilley and caught at the wicket.

At 45 for two, with the ball still quite hard, England were in their best position of the day. I suppose, looking back on it, that the moment from which things began to run Pakistan's way was when Miandad, who was nine, narrowly escaped being caught at long leg.

He had driven the previous ball for four and was now hooking at what passes these days for a Botham bouncer. Running in from long leg, Foster threw himself for the ball, but unavailingly. At lunch, after 32 overs, Pakistan were 95 for two. It had been a good morning's cricket, watched by fewer people than one would have expected in the holiday season. There will be more today and tomorrow is a sell-out.

During the afternoon Radford put in the occasional appearance to substitute either for Dilley or Foster. England's fast bowlers leave the field more regularly than they used to, Dilley especially. But it was off Dilley that French could have caught

Muhammad, who had just reached his 50.

This was a good ball by Dilley that left Muhammad and French, diving to his right, just covered it. Forty minutes later Muhammad got more of the bat to a ball from Botham that also left him and was caught at second slip.

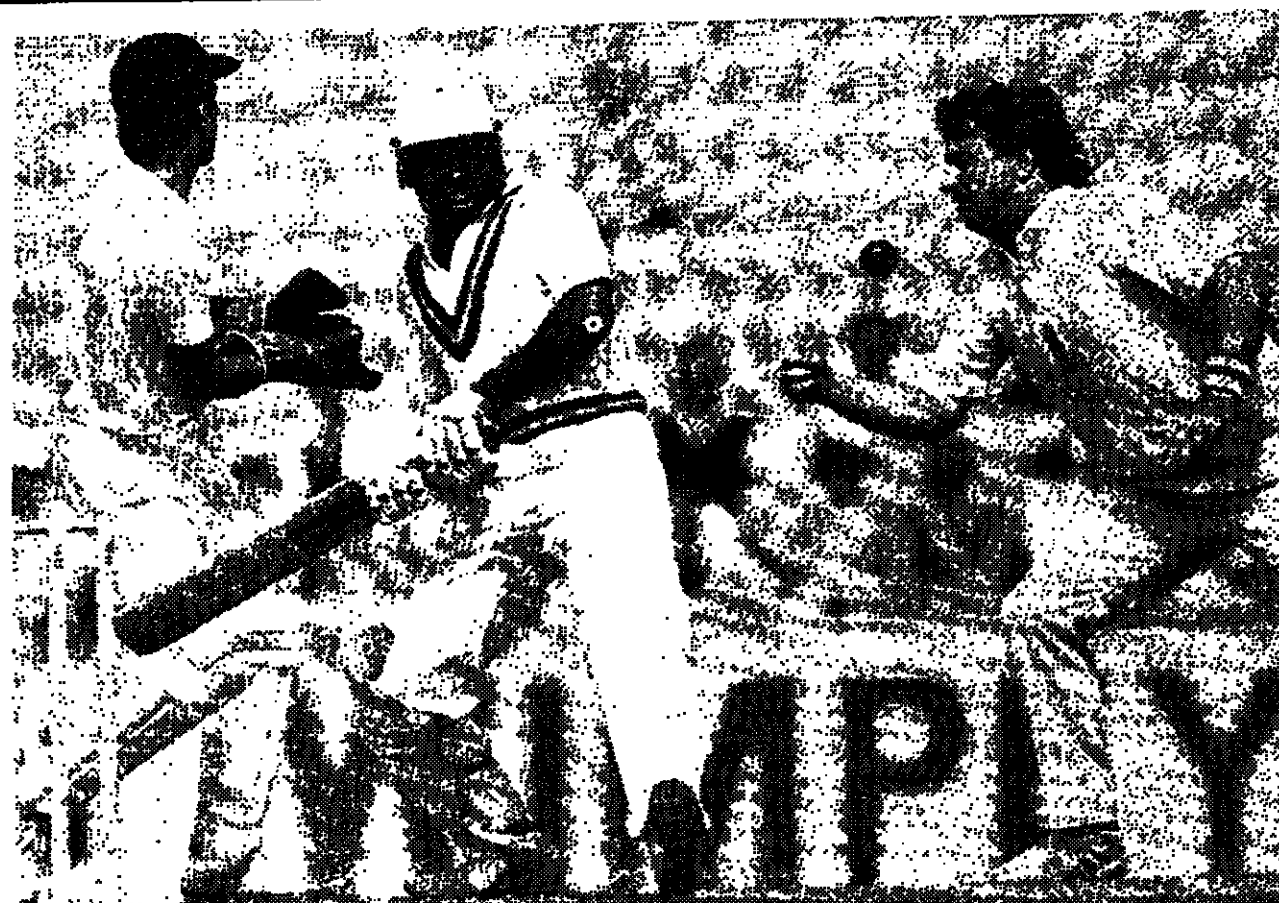
Almost at once Salim Malik must have been as close as could be to being leg-before to Foster. It was on the whole an easy day for the umpires and one mercifully free from the provocations of the Pakistan manager.

An umpire's lot varies according to how much the ball moves about. Yesterday it seldom did so. At 3.15, though, Edmonds got one to turn at Salim Malik, not slowly, but in a way that Pakistan would have been more pleased to see than England, who will be batting last.

Between tea and the close Pakistan made 91 and came safely through the new ball, taken at 253 for three. Malik reached his third 50 of the series; Miandad finished with 15 fours and no chances, other than that very technical one to Foster at long leg; Dilley went off again, and practically nothing got past the bat. If, in similar circumstances, England had batted as well as Pakistan, they would be feeling very pleased with themselves.

It was a warm day, often sunny, and the cricket was sufficiently interesting to stand on its own as an attraction. Instead we were introduced to the gimmickry that has been allowed to become an integral part of cricket in Australia.

If the helicopter that appeared at lunchtime had brought bowling reinforcements that would have been fine. But flares and parachutists are, to my mind, for Brize Norton and South Cerney and World Series Cricket.



Close call: Botham looks slippery at short leg but Miandad went on to have a ball with his bat (Photograph: Ian Stewart)

## Whitaker cruises to victory

From Jenny MacArthur  
Dublin

John Whitaker and Next Milton, who today fill the crucial fourth position in the British team which is attempting a third successive victory in the Nations Cup, underlined Britain's favouritism for the event when winning the big Jameson Whiskey Classic, the main international competition yesterday.

Whitaker's effortless-looking round against the clock in the 10-horse jump-off relegated Ireland's Eddie Macken, on Carrolls Flight, to second place for the third time at this show. Macken heads the Irish team today, which are likely to prove Britain's main rival. Their team includes Captain John Ledingham and Gaharan, who were third yesterday, and Captain Gerry Mullins with Rockbarton, the winner of the grand prix here last year.

Ronnie Massarella, the British team manager, has drawn up a formidable quartet. Nick Skelton goes first with the on-form Raffles Apollo, followed by Michael Whitaker, on Next Warren Point, and then David Broome, with the inexperienced but very promising Countryman.

Earlier, Mullins, based at the famous Army Equestrian School at McKee barracks, showed that the Army has lost none of its skill at putting good young horses when he and the recently bought eight-year-old mare, Limerick, had a comfortable win in the Jameson Whiskey International.

The Supreme Ridden Hunter championship was won by George Dobbs's Slaney Water. The three English judges - Antony Stewart, Tony Hogarth and Joss Hanbury - deliberated for some time over Slaney Water, expertly shown by Diana Gilma, and the champion lightweight, Lady Perdita Blackwood's six-year-old, Inspector Clout.

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## First round of 86 leaves Woosnam embarrassed

From Mitchell Platts  
Golf Correspondent  
Palm Beach Gardens

Ian Woosnam, Europe's No. 1 money-winner this year, stumbled to an embarrassing first round of 86, 14 over par, in the 69th US PGA Championship on the PGA National Course here in Florida yesterday.

It left Woosnam so deflated that he was on the verge of withdrawing. "I feel like getting the next plane home," he said. Woosnam, however, wisely reconsidered after it was pointed out that such action might be even more embarrassing to European golf in general. "Perhaps I can come back with a 66," he added. "I'll need to."

Woosnam, who was awarded the last invitational spot by the US PGA, confessed: "I could only think about withdrawing because I was so embarrassed playing golf like that alongside guys like Fred Couples and Mark O'Meara. I knew I wasn't playing well but I can't remember when I last scored over 80. It wasn't just the driving or the putting. Everything went in the end. It's no fun whatsoever when it's like that."

"I couldn't even be both-